



March 2005

# 2001 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 ninth 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 parties in their analysis of New York's corporate tax structure. The last report in this series was for the 2000 liability year.

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.

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

For the 2001 report, the fixed dollar minimum tax on subsidiaries of combined filers has been added to all tables in which Article 9-A data is presented. The manner in which data is presented for certain other filers under the Article 9-A fixed dollar minimum tax has also been revised. In addition, data sources for certain sections of Article 9 have been updated. For purposes of comparison, tables and charts in this report which display 2000 tax liability data for Article 9-A and 9 were similarly revised. As a result, 2000 data presented in these sections will not match the same data published in last year's report. See Appendix A for more detailed information on data sources and revisions.

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 lists tax rate

changes in 2000 and 2001; Appendix C contains descriptive charts of the calculation of tax liability for Articles 9-A, 32 and 33; Appendix D contains the historical tables, starting with the 1997 tax year; and Appendix E lists sources of tax return data for 2001.

Recent tax law changes have had an impact on the business population and the data presented in these reports. Some examples include:

- Significant reductions in tax rates for all corporate taxes
- Shifting of certain taxpayers out of the Corporation and Utilities Tax and into the Corporate Franchise Tax
- Restructuring of the Article 9-A fixed dollar minimum tax
- Creation of new tax credits for banks and insurance companies.

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 and others are available on the Department's Web site at: <http://www.nystax.gov/statistics>. *The New York State Tax Sourcebook*, also published by OTPA, contains both historical and current information on tax law changes.

## Tax Articles: Data Summary

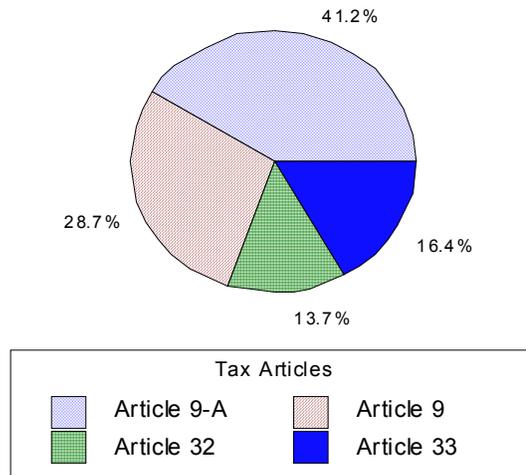
Table 1 provides a summary of the number of taxpayers and tax liability for the selected tax articles presented in this report. The data compares the 2000 and 2001 tax years. Appendix D provides selected historical tables and charts which were presented in this report previously. Consistent with previous years, Article 9-A represents the greatest number of taxpayers and the largest amount of tax liability. Article 32, the franchise tax on banking corporations, represents the smallest in both categories for 2001. Total corporate tax liability declined from 2000 to 2001. This decline was due mostly to a significant decline in Article 9-A liability.

**Table 1: Selected Tax Articles – Total Number of Taxpayers and Tax Liability 2000 and 2001**

| Tax Article        | Number of Taxpayers 2000 | Total Tax Liability 2000 | Number of Taxpayers 2001 | Total Tax Liability 2001 |
|--------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Article 9-A        | 566,311                  | \$1,735,260,220          | 570,376                  | \$1,391,117,828          |
| Article 9          | 5,718                    | 984,523,238              | 5,482                    | 969,812,331              |
| Article 32         | 826                      | 457,825,418              | 791                      | 461,174,371              |
| Article 33         | 1,026                    | 561,718,332              | 1,038                    | 555,073,260              |
| Total All Articles | 573,881                  | \$3,739,327,208          | 577,687                  | \$3,377,177,790          |

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

**Figure 1: Selected Corporate Tax Articles – Percent of 2001 Tax Liability**



Tables 2 and 3 show detailed profiles of Articles 9-A and 9 for the 2001 tax year.

**Tables 2 and 3: Articles 9-A and 9 Detailed Profiles – 2001**

| Article 9-A    | Number of Taxpayers | Tax Liability          |
|----------------|---------------------|------------------------|
|                | 2001                | 2001                   |
| C Corporations | 261,146             | \$1,277,376,750        |
| S Corporations | 309,230             | 113,741,078            |
| <b>Total</b>   | <b>570,376</b>      | <b>\$1,391,117,828</b> |

| Article 9     | Number of Taxpayers | Tax Liability        |
|---------------|---------------------|----------------------|
|               | 2001                | 2001                 |
| Section 183   | 2,037               | \$26,269,753         |
| Section 184   | 1,830               | 51,844,010           |
| Section 186   | 32                  | 18,644,471           |
| Section 186-a | 346                 | 419,964,477          |
| Section 186-e | 1,237               | 453,089,620          |
| <b>Total</b>  | <b>5,482</b>        | <b>\$969,812,331</b> |

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## Tax Articles: 2001 Highlights

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

#### *Highlights*

- The number of Article 9-A taxpayers increased by less than 1 percent from 2000 to 2001. However, total tax liability declined by 20 percent.
- The number of S corporation filers grew by 3 percent, but total liability for S corporations declined by 24 percent.
- S corporations represented 54 percent of all Article 9-A filers, but C corporations represented 92 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 21 percent of total C corporation returns. However, this tax base contributed 82 percent of total C corporation tax liability.
- Total liability for the entire net income base declined by 21 percent, and liability for the alternative minimum tax base declined by 54 percent. Liability for the capital base grew by 12 percent.
- Liability for the fixed dollar minimum tax remained nearly the same from 2000 to 2001.
- Tax liability declined for most industries from 2000 to 2001, although the relative share represented by each sector remained fairly steady. The largest declines were for the manufacturing and services sectors.

### Article 9: Corporation and Utilities Tax

#### *Highlights*

- The number of taxpayers declined by 236 from 2000 to 2001, and total tax liability declined by approximately \$15 million over this period.
- The greatest number of taxpayers paid under Sections 183 and 184. Section 183 is the franchise tax on

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transportation and transmission corporations and associations and Section 184 is an additional tax on transportation and transmission corporations and associations.

- Section 186-e (excise tax on telecommunications services) taxpayers incurred the highest tax liability, while Section 186-a (gross receipts tax on the furnishing of utility services) taxpayers ranked as the second highest in 2001.
- In 2001, businesses subject to Sections 186-a and 186-e paid about 90 percent of all Article 9 tax liability.
- Section 186 was repealed for tax years after 1999.

#### Article 32: Franchise Tax on Banking Corporations

##### *Highlights*

- Total tax liability for Article 32 increased by more than \$3 million, from \$457.8 million in 2000 to \$461.2 million in 2001.
- The relative share of total liability represented by the three reported categories of banks remained nearly the same in 2000 and 2001.
- The vast majority of bank tax liability continues to come from the income base. The income base accounted for 81 percent of bank tax liability in 2000 and 73 percent in 2001.
- The alternative bases (alternative ENI and assets) account for almost all of the remainder of bank tax liability. The alternative bases accounted for 19 percent of liability in 2000 and 27 percent in 2001. The minimum tax accounts for less than 1 percent of bank tax liability in both years.
- The amount of positive allocated entire net income reported for all banks increased from \$4.6 billion in 2000 to \$4.9 billion in 2001. Negative allocated entire net income increased from \$3.6 billion to \$5.9 billion during this period.

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- Banks used \$29 million in tax credits in 2000 and \$41 million in 2001.

Article 33: Franchise Tax on Insurance Corporations *Highlights*

- Total tax liability, before the premiums limitation on tax and before credits, decreased from \$847.5 million to \$759.6 million between 2000 and 2001. This represented a decrease of about \$88 million, or 12 percent, during this period.
- There was a dramatic shift in the distribution of tax liability between the income base and the premiums base. The income base accounted for 55 percent of insurance tax liability in 2000 but just 40 percent in 2001.
- Foreign insurers accounted for 61 percent of insurance tax liability in 2000 and 59 percent in 2001.
- The value of the limitation on tax liability decreased from \$218.0 million in 2000 to \$134.7 million in 2001. Both life and property and casualty insurers received a much lower benefit from the limitation in 2001 than in 2000.
- The amount of credits used by taxpayers increased from \$67.9 million in the 2000 tax year to \$69.8 million in the 2001 tax year.
- Tax liability for all insurers after the limitation and credits decreased from \$561.7 million in 2000 to \$555.1 million in 2001.

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# Article 9-A: Franchise Tax on Business Corporations

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## Tax Structure: Tax Law as of 2001

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 8 percent applies to the ENI base. The rate decreases to 7.5 percent for tax years beginning after June 30, 2001. A tax rate of 7.5 percent applies to qualified small business corporations with ENI of \$200,000 or less. Graduated rates apply 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. Total tax liability under the capital base is capped at \$350,000.
- A rate of 2.5 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.

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- 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 \$100 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 7.175 percent to that same entire net income base. The resulting difference in these two computations equals the differential tax. The rate is reduced to 6.85 percent for tax years beginning after June 30, 2001.

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## Significant Tax Law Changes: 2000 and 2001

*2000*

- The tax rate on entire net income was reduced from 8.5 percent to 8 percent for taxable years beginning after June 30, 2000.
- The AMT tax rate was reduced from 3 percent to 2.5 percent for taxable years beginning after June 30, 2000.
- The S corporation differential tax rate on entire net income was reduced from 7.525 percent to 7.175 percent for taxable years beginning after June 30, 2000.

- The Article 9, Section 186 franchise tax on waterworks companies, gas companies, electric or steam heating, lighting and power companies is repealed for tax years beginning on or after January 1, 2000. Most taxpayers previously subject to this tax are now subject to tax under Article 9-A. Certain taxpayers can elect to remain subject to tax under Section 186 until their existing contracts expire.

*2001*

- The tax rate on entire net income was reduced from 8 percent to 7.5 percent for taxable years beginning after June 30, 2001.
- The S corporation differential tax rate on entire net income was reduced from 7.175 percent to 6.85 percent for taxable years beginning after June 30, 2001.

**Statistical Summary:  
Comparison of 2000  
Versus 2001**

The corporate franchise tax represented approximately 41 percent of total New York State corporate tax liability in 2001. There were 570,376 corporate taxpayers (both C corporations and S corporations) that filed returns in this year. These taxpayers reported a total tax liability of nearly \$1.4 billion.

Table 4 summarizes and compares information from taxable returns filed by Article 9-A corporations in 2000 and 2001. In 2001, total tax liability decreased by \$344 million from 2000, a decline of 20 percent.

**Table 4: Profile of C and S Corporations, Number of Taxpayers and Tax Liability – 2000 and 2001**

| Tax Year                            | 2000           | 2001           |
|-------------------------------------|----------------|----------------|
| <b>Number of Taxpayers</b>          |                |                |
| Number of C Corporations            | 265,876        | 261,146        |
| Number of S Corporations            | 300,435        | 309,230        |
| <b>Total Number of Corporations</b> | <b>566,311</b> | <b>570,376</b> |
| <b>Millions of Dollars</b>          |                |                |
| Tax Liability C Corporations        | \$1,586        | \$1,277        |
| Tax Liability S Corporations        | 149            | 114            |
| <b>Total Tax Liability</b>          | <b>\$1,735</b> | <b>\$1,391</b> |

Distribution of Article 9-A Taxpayers and Tax Liability

Table 5 shows both 2000 and 2001 C and S corporations by basis of tax for the number of taxpayers and tax liability. There were large declines in liability for C corporations paying on the entire net income and alternative minimum tax bases. S corporations also experienced a large drop in liability.

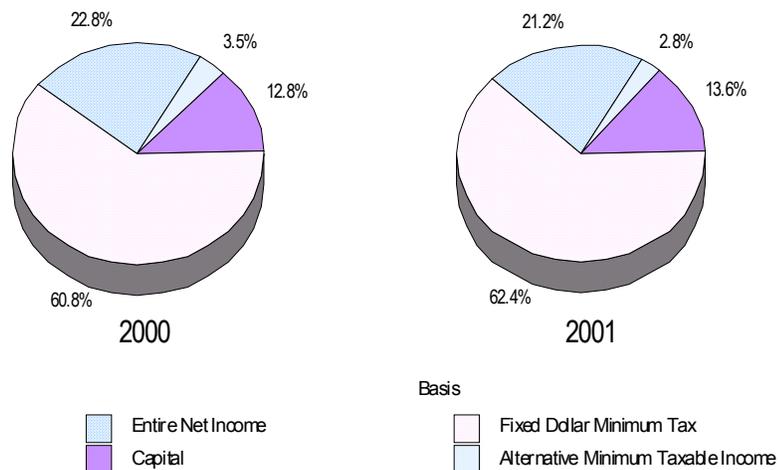
**Table 5: C and S Corporations by Bases, Number of Taxpayers and Tax Liability - 2000 and 2001**

| Type of Corporation        | Base of Primary Tax                             | Number of Taxpayers |                |              | Tax Liability          |                        |               |
|----------------------------|---|---------------------|----------------|--------------|------------------------|------------------------|---------------|
|                            |   | 2000                | 2001           | Percent      | 2000                   | 2001                   | Percent       |
| C Corporation              | Entire Net Income                               | 60,729              | 55,437         | -8.7%        | \$1,344,952,877        | \$1,064,274,484        | -20.9%        |
|                            | Fixed Dollar Minimum Tax                        | 161,736             | 162,939        | 0.7%         | 39,727,444             | 39,909,367             | 0.5%          |
|                            | Capital   | 33,981              | 35,574         | 4.7%         | 121,096,472            | 136,099,851            | 12.4%         |
|                            | Alternative Minimum Taxable Income              | 9,430               | 7,196          | -23.7%       | 80,258,862             | 37,093,048             | -53.8%        |
| <b>C Corporation Total</b> |   | <b>265,876</b>      | <b>261,146</b> | <b>-1.8%</b> | <b>1,586,035,655</b>   | <b>1,277,376,750</b>   | <b>-19.5%</b> |
| S Corporation              | Entire Net Income & Fixed Dollar Minimum Filers | 300,435             | 309,230        | 2.9%         | 149,224,565            | 113,741,078            | -23.8%        |
| <b>Article 9-A Total</b>   |   | <b>566,311</b>      | <b>570,376</b> | <b>0.7%</b>  | <b>\$1,735,260,220</b> | <b>\$1,391,117,828</b> | <b>-19.8%</b> |

\*Tax liability includes the tax on subsidiary capital paid by 1,992 taxpayers valued at 23.2 million in 2001. Tax liability excludes the MTA surcharge.

The data in Figure 2 illustrate that the greatest number of C corporations paid tax on the fixed dollar minimum tax base for both 2000 and 2001. This base represented 60.8 percent of taxpayers in 2000 and 62.4 percent of taxpayers in 2001. The entire net income base and the capital base were second and third respectively in both years.

**Figure 2: Distribution of Number of C Corporations by Basis – 2000 and 2001**



**Figure 3: C Corporation Tax Liability by Basis – 2000 and 2001**

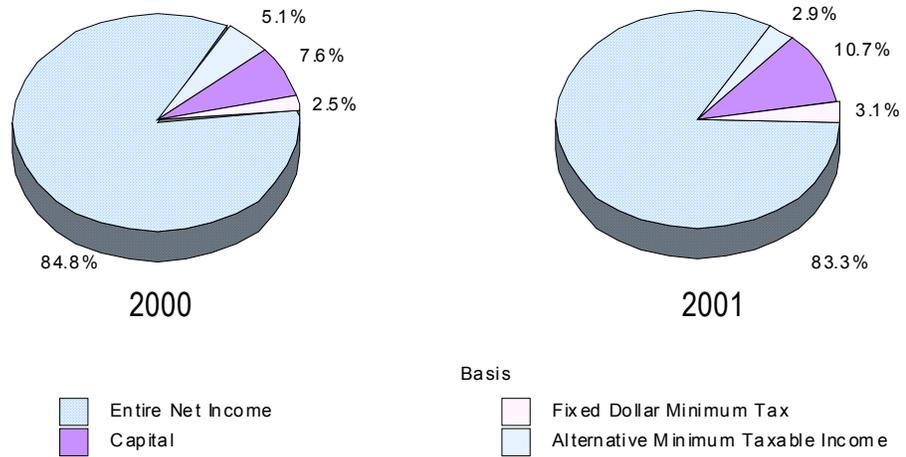


Figure 3 shows that the greatest share of tax paid was under the entire net income base for both 2000 and 2001. The fixed dollar minimum, alternative minimum taxable income, and the capital bases represented much smaller shares of tax liability in each year.

Tax liability for taxpayers subject to the fixed dollar minimum tax varies by size of gross payroll. As Figure 4 shows, the vast majority of fixed dollar minimum taxpayers paid the \$100 amount in both 2000 and 2001. From 2000 to 2001, the distribution of taxpayers remained relatively steady.

**Figure 4: Number of Fixed Dollar Minimum Taxpayers by Fixed Dollar Minimum Tax – 2000 and 2001**

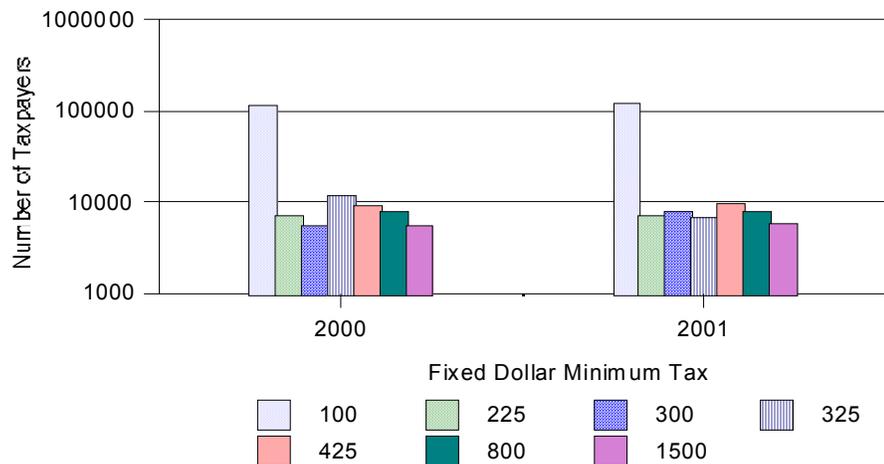
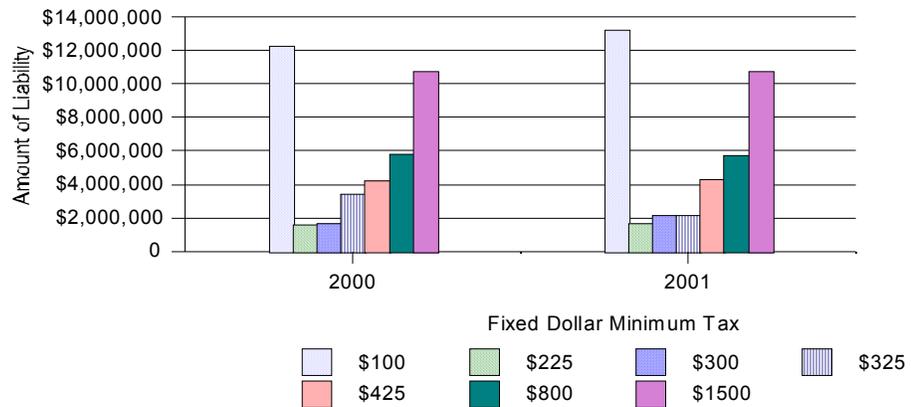


Figure 5 below shows the distribution of tax liability within the fixed dollar filing population. The \$100 amount represented the greatest liability in both 2000 and 2001, followed by the \$1,500 amount and the \$800 amount respectively in both years.

**Figure 5: Liability of Fixed Dollar Minimum Taxpayers by Fixed Dollar Minimum Tax – 2000 and 2001**



**Industry Profiles: 2000 Versus 2001**

Table 6 profiles the distribution of taxpayers and liability by major industries. The distribution of tax liability by industry was fairly similar in both years. The largest decline in the relative share for an industry was for manufacturing, while the largest increase was for finance, insurance and real estate.

**Table 6: Percent Change in Distribution of C Corporation Taxpayers and Tax Liability by Industry - 2000 and 2001**

| Industry                                       | Number of Taxpayers |                | Tax Liability          |                        | Share of Total Tax Liability (%) |               |
|--|---------------------|----------------|------------------------|------------------------|----------------------------------|---------------|
|  | 2000                | 2001           | 2000                   | 2001                   | 2000                             | 2001          |
| Agriculture                                    | 1,139               | 1,146          | \$1,544,257            | \$1,202,157            | 0.1%                             | 0.1%          |
| Mining   | 436                 | 412            | 2,561,506              | 1,887,507              | 0.2%                             | 0.2%          |
| Contract Construction                          | 18,862              | 19,193         | 48,204,858             | 41,964,711             | 3.0%                             | 3.3%          |
| Manufacturing                                  | 16,281              | 15,646         | 325,454,150            | 211,634,501            | 20.5%                            | 16.6%         |
| Transportation/Communications/Public Utilities | 17,597              | 17,331         | 193,079,120            | 198,529,842            | 12.2%                            | 15.5%         |
| Wholesale Trade (Durable)                      | 13,372              | 13,340         | 90,019,807             | 62,357,929             | 5.7%                             | 4.9%          |
| Wholesale Trade (Nondurable)                   | 11,727              | 11,666         | 69,384,286             | 51,093,621             | 4.4%                             | 4.0%          |
| Retail Trade                                   | 27,598              | 27,715         | 132,442,969            | 104,242,151            | 8.4%                             | 8.2%          |
| Finance Insurance and Real Estate              | 52,647              | 52,641         | 359,579,170            | 342,486,615            | 22.7%                            | 26.8%         |
| Services                                       | 80,393              | 81,223         | 358,528,037            | 257,965,301            | 22.6%                            | 20.2%         |
| Not Classified                                 | 25,824              | 20,833         | 5,237,495              | 4,012,415              | 0.3%                             | 0.3%          |
| <b>Total</b>                                   | <b>265,876</b>      | <b>261,146</b> | <b>\$1,586,035,655</b> | <b>\$1,277,376,750</b> | <b>100.0%</b>                    | <b>100.0%</b> |

C Corporations by Filing  
Period 2000 and 2001:  
Number of Taxpayers

Table 7 shows that the greatest number of taxpayers filed as calendar year taxpayers with a fiscal year ending December 31 for both 2000 and 2001. The next largest number filed for the fiscal year ending June 30 in both years. The fewest number of taxpayers filed with a fiscal year ending January 31 in both years.

**Table 7: Distribution of C Corporation Taxpayers by Fiscal Period – 2000 and 2001**

| Fiscal Year Ending | Number of Taxpayers |                |
|--------------------|---------------------|----------------|
|                    | 2000                | 2001           |
| December           | 145,626             | 144,088        |
| January            | 7,346               | 7,220          |
| February           | 9,051               | 8,755          |
| March              | 15,230              | 14,703         |
| April              | 9,322               | 9,016          |
| May                | 9,604               | 9,431          |
| June               | 18,139              | 17,439         |
| July               | 8,446               | 8,506          |
| August             | 9,194               | 8,893          |
| September          | 16,340              | 15,904         |
| October            | 9,813               | 9,681          |
| November           | 7,765               | 7,510          |
| <b>Total</b>       | <b>265,876</b>      | <b>261,146</b> |

C Corporations by  
Filing Period 2000 and  
2001: Tax Liability

As Table 8 shows, calendar year filers overwhelmingly reflected the greatest amount of tax liability for fiscal years ending in both 2000 and 2001. March was the second highest month for tax liability in both years. August filers had the least liability in 2000, while July filers had the least in 2001.

**Table 8: Distribution of C Corporation Tax Liability by Fiscal Period 2000 and 2001**

| Fiscal Year Ending | Tax Liability          |                        |
|--------------------|------------------------|------------------------|
|                    | 2000                   | 2001                   |
| December           | \$1,071,341,754        | \$888,884,387          |
| January            | 65,943,846             | 50,636,040             |
| February           | 40,708,981             | 24,161,816             |
| March              | 84,254,566             | 73,627,358             |
| April              | 21,689,785             | 17,092,729             |
| May                | 25,061,086             | 24,124,782             |
| June               | 61,482,043             | 67,790,404             |
| July               | 37,065,954             | 10,903,304             |
| August             | 18,248,802             | 16,610,454             |
| September          | 70,712,989             | 54,038,449             |
| October            | 22,660,359             | 19,774,979             |
| November           | 66,865,490             | 29,732,048             |
| <b>Total</b>       | <b>\$1,586,035,655</b> | <b>\$1,277,376,750</b> |

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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 2001 tax year. Consistent with the data presented in the main text of this report, the data includes the tax on subsidiary capital. The total tax on subsidiary capital was \$23.2 million in 2001. In addition, liability includes the fixed dollar minimum tax on subsidiaries. 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, 2001 and November 30, 2002**

| Liability            | Alternative Bases |                        |               |                      |   |                     |               |                        | Total |
|----------------------|-------------------|------------------------|---------------|----------------------|---|---------------------|---------------|------------------------|-------|
|                      | Entire Net Income |                        | Capital Base  |                      | Alternative Minimum Taxable Income Base |                     | Total         |                        |       |
|                      | Number            | Amount                 | Number        | Amount               | Number                                  | Amount              | Number        | Amount                 |       |
| \$100 - \$499        | 16,538            | \$4,455,489            | 18,209        | \$4,549,930          | 4,291                                   | \$1,042,663         | 39,038        | \$10,048,082           |       |
| 500 - 999            | 9,264             | 6,678,761              | 6,268         | 4,489,882            | 1,211                                   | 858,812             | 16,743        | 12,027,455             |       |
| 1,000 - 1,999        | 8,648             | 12,485,234             | 4,286         | 6,153,026            | 702                                     | 1,016,727           | 13,636        | 19,654,987             |       |
| 2,000 - 2,999        | 4,519             | 11,119,662             | 1,828         | 4,564,304            | 256                                     | 655,163             | 6,603         | 16,339,129             |       |
| 3,000 - 3,999        | 3,107             | 10,788,710             | 1,023         | 3,632,467            | 142                                     | 498,636             | 4,272         | 14,919,813             |       |
| 4,000 - 4,999        | 2,143             | 9,596,264              | 658           | 2,983,585            | 80                                      | 360,278             | 2,881         | 12,940,127             |       |
| 5,000 - 5,999        | 1,426             | 7,824,828              | 481           | 2,673,277            | 68                                      | 373,914             | 1,975         | 10,872,019             |       |
| 6,000 - 6,999        | 1,052             | 6,804,671              | 366           | 2,408,628            | 34                                      | 222,605             | 1,452         | 9,435,904              |       |
| 7,000 - 7,999        | 824               | 6,172,215              | 299           | 2,290,079            | 49                                      | 374,806             | 1,172         | 8,837,100              |       |
| 8,000 - 8,999        | 682               | 5,790,888              | 198           | 1,727,896            | 28                                      | 243,784             | 908           | 7,762,568              |       |
| 9,000 - 9,999        | 565               | 5,375,905              | 173           | 1,653,153            | 29                                      | 278,930             | 767           | 7,307,988              |       |
| 10,000 - 14,999      | 1,672             | 20,413,226             | 562           | 7,066,536            | 69                                      | 847,389             | 2,303         | 28,327,151             |       |
| 15,000 - 19,999      | 860               | 14,970,033             | 242           | 4,292,185            | 58                                      | 988,493             | 1,160         | 20,250,711             |       |
| 20,000 - 29,999      | 1,035             | 25,426,222             | 303           | 7,588,875            | 45                                      | 1,111,691           | 1,383         | 34,126,788             |       |
| 30,000 - 39,999      | 610               | 21,121,400             | 161           | 5,587,795            | 28                                      | 942,513             | 799           | 27,651,708             |       |
| 40,000 - 49,999      | 390               | 17,495,869             | 110           | 5,015,545            | 15                                      | 674,280             | 515           | 23,185,694             |       |
| 50,000 - 59,999      | 254               | 13,879,562             | 74            | 4,174,785            | 13                                      | 725,859             | 341           | 18,780,206             |       |
| 60,000 - 69,999      | 206               | 13,329,115             | 56            | 3,711,242            | 11                                      | 713,263             | 273           | 17,753,620             |       |
| 70,000 - 79,999      | 159               | 11,950,590             | 33            | 2,550,326            | 7                                       | 538,023             | 199           | 15,038,939             |       |
| 80,000 - 89,999      | 135               | 11,477,973             | 18            | 1,578,893            | 7                                       | 602,324             | 160           | 13,659,190             |       |
| 90,000 - 99,999      | 114               | 10,855,988             | 18            | 1,725,258            | 3                                       | 277,419             | 135           | 12,858,665             |       |
| 100,000 - 249,999    | 705               | 109,833,570            | 130           | 20,735,542           | 30                                      | 5,035,783           | 865           | 135,604,895            |       |
| 250,000 - 499,999    | 240               | 83,275,972             | 72            | 25,003,497           | 10                                      | 3,841,827           | 322           | 112,121,296            |       |
| 500,000 - 999,999    | 137               | 93,997,614             | 3             | 1,663,790            | 8                                       | 6,484,406           | 148           | 102,145,810            |       |
| \$1,000,000 and over | 152               | 529,154,723            | 3             | 8,279,355            | 2                                       | 8,383,460           | 157           | 545,817,538            |       |
| <b>Total</b>         | <b>55,437</b>     | <b>\$1,064,274,484</b> | <b>35,574</b> | <b>\$136,099,851</b> | <b>7,196</b>                            | <b>\$37,093,048</b> | <b>98,207</b> | <b>\$1,237,467,383</b> |       |

d/ Tax Law provisions prohibit disclosure of data.

**2001 Fixed Dollar Minimum Tax Filers\***

| Fixed Dollar Minimum Amount | "True" Minimum Tax Filers |                     | Other Minimum Tax Filers*** |                     | Fixed Dollar Minimum Tax Total |                     |
|-----------------------------|---------------------------|---------------------|-----------------------------|---------------------|--------------------------------|---------------------|
|                             | Number                    | Amount              | Number                      | Amount              | Number                         | Amount              |
| \$100                       | 113,328                   | \$11,032,250        | 5,264                       | \$2,190,696         | 118,592                        | \$13,222,946        |
| 225                         | 5,425                     | 1,156,959           | 1,734                       | 514,751             | 7,159                          | 1,671,710           |
| 300**                       | 2,903                     | 870,900             | 4,811                       | 1,245,295           | 7,714                          | 2,116,195           |
| 325                         | 4,128                     | 1,267,713           | 2,573                       | 865,234             | 6,701                          | 2,132,947           |
| 425                         | 3,439                     | 1,379,654           | 6,046                       | 2,909,509           | 9,485                          | 4,289,163           |
| 800                         | 7,432                     | 5,508,000           | 199                         | 220,709             | 7,631                          | 5,728,709           |
| 1,500                       | 777                       | 1,114,500           | 4,880                       | 9,633,197           | 5,657                          | 10,747,697          |
| <b>Total</b>                | <b>137,432</b>            | <b>\$22,329,976</b> | <b>25,507</b>               | <b>\$17,579,391</b> | <b>162,939</b>                 | <b>\$39,909,367</b> |

\*Includes partial year filers.

\*\*Maintenance fee for foreign corporations.

\*\*\*This category now includes "true" minimum taxpayers who allocate their income. See Appendix A for details.

Table 10: Corporation Tax Liability by Industry 1/

Corporate Tax Years Ending Between December 1, 2001 and November 30, 2002

| NAICS<br>Code 4/ Industry  | "C" Corporations |              | Total Tax 2/         |               |                  | Subsidiary<br>Capital Tax 3/ |                    |
|--|------------------|--------------|----------------------|---------------|------------------|------------------------------|--------------------|
|  | Number           | Share        | Amount               | Share         | Average          | Number                       | Amount             |
| <b>11 Agriculture, Forestry, Fishing and Hunting</b>                       | <b>1,146</b>     | <b>0.44%</b> | <b>\$1,202,157</b>   | <b>0.09%</b>  | <b>\$1,049</b>   | <b>3</b>                     | <b>\$9,822</b>     |
| <b>21 Mining</b>   | <b>412</b>       | <b>0.16%</b> | <b>\$1,887,507</b>   | <b>0.15%</b>  | <b>\$4,581</b>   | <b>8</b>                     | <b>\$18,109</b>    |
| <b>22 Utilities</b>  | <b>439</b>       | <b>0.17%</b> | <b>\$84,609,091</b>  | <b>6.62%</b>  | <b>\$192,731</b> | <b>10</b>                    | <b>\$3,336,309</b> |
| <b>23 Construction</b>   | <b>19,193</b>    | <b>7.35%</b> | <b>\$41,964,711</b>  | <b>3.29%</b>  | <b>\$2,186</b>   | <b>51</b>                    | <b>\$128,679</b>   |
| 233 Building, Developing, and General Contracting                          | 5,916            | 2.27%        | 14,173,347           | 1.11%         | 2,396            | 16                           | 25,060             |
| 234 Heavy Construction   | 1,034            | 0.40%        | 6,868,200            | 0.54%         | 6,642            | 12                           | 94,025             |
| 235 Special Trade Contractors  | 12,243           | 4.69%        | 20,923,164           | 1.64%         | 1,709            | 23                           | 9,594              |
| <b>31-33 Manufacturing</b>   | <b>15,646</b>    | <b>5.99%</b> | <b>\$211,634,501</b> | <b>16.57%</b> | <b>\$13,526</b>  | <b>425</b>                   | <b>\$2,828,880</b> |
| 311 Food Manufacturing   | 1,014            | 0.39%        | 6,084,346            | 0.48%         | 6,000            | 25                           | 527,893            |
| 312 Beverage and Tobacco Product Manufacturing                             | 134              | 0.05%        | 35,514,340           | 2.78%         | 265,032          | 5                            | 28,120             |
| 313 Textile Mills  | 128              | 0.05%        | 459,869              | 0.04%         | 3,593            | 6                            | 12,452             |
| 314 Textile Product Mills  | 194              | 0.07%        | 977,254              | 0.08%         | 5,037            | 8                            | 9,741              |
| 315 Apparel Manufacturing  | 2,079            | 0.80%        | 8,897,361            | 0.70%         | 4,280            | 18                           | 39,780             |
| 316 Leather and Allied Product Manufacturing                               | 130              | 0.05%        | 910,155              | 0.07%         | 7,001            | 3                            | 7,807              |
| 321 Wood Product Manufacturing   | 481              | 0.18%        | 1,153,730            | 0.09%         | 2,399            | 5                            | 2,901              |
| 322 Paper Manufacturing  | 243              | 0.09%        | 3,065,032            | 0.24%         | 12,613           | 10                           | 45,520             |
| 323 Printing and Related Support Activities                                | 1,417            | 0.54%        | 5,925,497            | 0.46%         | 4,182            | 12                           | 90,886             |
| 324 Petroleum and Coal Products Manufacturing                              | 103              | 0.04%        | 13,938,993           | 1.09%         | 135,330          | 10                           | 141,694            |
| 325 Chemical Manufacturing   | 739              | 0.28%        | 54,520,508           | 4.27%         | 73,776           | 49                           | 152,874            |
| 326 Plastics and Rubber Products Manufacturing                             | 473              | 0.18%        | 2,798,269            | 0.22%         | 5,916            | 11                           | 18,331             |
| 327 Nonmetallic Mineral Product Manufacturing                              | 348              | 0.13%        | 4,747,252            | 0.37%         | 13,642           | 7                            | 10,430             |
| 331 Primary Metal Manufacturing  | 307              | 0.12%        | 2,426,886            | 0.19%         | 7,905            | 7                            | 6,383              |
| 332 Fabricated Metal Product Manufacturing                                 | 1,880            | 0.72%        | 8,937,496            | 0.70%         | 4,754            | 40                           | 459,067            |
| 333 Machinery Manufacturing  | 978              | 0.37%        | 10,486,044           | 0.82%         | 10,722           | 34                           | 124,788            |
| 334 Computer and Electronic Product Manufacturing                          | 979              | 0.37%        | 12,331,659           | 0.97%         | 12,596           | 46                           | 286,421            |
| 335 Electrical Equipment, Appliance, and Component Manufacturing           | 753              | 0.29%        | 6,960,188            | 0.54%         | 9,243            | 32                           | 109,582            |
| 336 Transportation Equipment Manufacturing                                 | 329              | 0.13%        | 4,270,308            | 0.33%         | 12,980           | 19                           | 243,741            |
| 337 Furniture and Related Product Manufacturing                            | 435              | 0.17%        | 2,183,973            | 0.17%         | 5,021            | 6                            | 7,571              |
| 339 Miscellaneous Manufacturing  | 2,502            | 0.96%        | 25,045,341           | 1.96%         | 10,010           | 72                           | 502,898            |
| <b>42 Wholesale Trade</b>  | <b>25,006</b>    | <b>9.58%</b> | <b>\$113,451,550</b> | <b>8.88%</b>  | <b>\$4,537</b>   | <b>209</b>                   | <b>\$596,410</b>   |
| <b>421 Wholesale Trade (Durable)</b>                                       | <b>13,340</b>    | <b>5.11%</b> | <b>\$62,357,929</b>  | <b>4.88%</b>  | <b>\$4,675</b>   | <b>110</b>                   | <b>\$304,448</b>   |
| 4211 Motor Vehicle and Motor Vehicle Parts and Supplies Wholesalers        | 918              | 0.35%        | 16,476,764           | 1.29%         | 17,949           | 7                            | 17,823             |
| 4212 Furniture and Home Furnishing Wholesalers                             | 661              | 0.25%        | 3,552,407            | 0.28%         | 5,374            | d/                           | d/                 |
| 4213 Lumber and Other Construction Materials Wholesalers                   | 539              | 0.21%        | 2,452,766            | 0.19%         | 4,551            | d/                           | d/                 |
| 4214 Professional and Commercial Equipment and Supplies Wholesalers        | 521              | 0.20%        | 3,757,911            | 0.29%         | 7,213            | d/                           | d/                 |
| 4215 Metal and Mineral (except Petroleum) Wholesalers                      | 394              | 0.15%        | 1,183,759            | 0.09%         | 3,004            | 4                            | 4,758              |
| 4216 Electrical Goods Wholesalers  | 963              | 0.37%        | 3,871,004            | 0.30%         | 4,020            | 10                           | 31,433             |
| 4217 Hardware, and Plumbing and Heating Equipment and Supplies Wholesalers | 660              | 0.25%        | 2,636,884            | 0.21%         | 3,995            | 7                            | 1,247              |
| 4218 Machinery, Equipment, and Supplies Wholesalers                        | 1,653            | 0.63%        | 6,451,251            | 0.51%         | 3,903            | 26                           | 42,684             |
| 4219 Miscellaneous Durable Goods Wholesalers                               | 6,930            | 2.65%        | 21,898,688           | 1.71%         | 3,160            | 51                           | 198,702            |

1/ Tax liability excludes the MTA surcharge.

2/ Tax liability includes the tax on subsidiary capital.

3/ Values represent tax on subsidiary capital prior to the application of credits.

4/ Data for selected three and four-digit NAICS subsectors may not necessarily add to the appropriate totals for the two-digit NAICS industry sectors. This is due to the fact that data may not be presented for all subsectors in a given industry sector. However, data for all subsectors are included in the appropriate industry sector totals.

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

Table 10: Corporation Tax Liability by Industry 1/

Corporate Tax Years Ending Between December 1, 2001 and November 30, 2002

| NAICS<br>Code 4/ Industry   | "C" Corporations |               | Total Tax 2/         |               |                 | Subsidiary<br>Capital Tax 3/ |                     |
|---|------------------|---------------|----------------------|---------------|-----------------|------------------------------|---------------------|
|   | Number           | Share         | Amount               | Share         | Average         | Number                       | Amount              |
| <b>422 Wholesale Trade (Nondurable)</b>   | <b>11,666</b>    | <b>4.47%</b>  | <b>\$51,093,621</b>  | <b>4.00%</b>  | <b>\$4,380</b>  | <b>99</b>                    | <b>\$291,962</b>    |
| 4221 Paper and Paper Product Wholesalers  | 442              | 0.17%         | 992,813              | 0.08%         | 2,246           | d/                           | d/                  |
| 4222 Drugs and Druggists' Sundries Wholesalers  | 314              | 0.12%         | 6,082,494            | 0.48%         | 19,371          | 5                            | 88,435              |
| 4223 Apparel, Piece Goods, and Notions Wholesalers  | 3,030            | 1.16%         | 10,682,279           | 0.84%         | 3,526           | 18                           | 23,888              |
| 4224 Grocery and Related Product Wholesalers  | 1,749            | 0.67%         | 9,131,358            | 0.71%         | 5,221           | 15                           | 19,659              |
| 4225 Farm Product Raw Material Wholesalers  | 284              | 0.11%         | 512,789              | 0.04%         | 1,806           | 3                            | 2,564               |
| 4226 Chemical and Allied Products Wholesalers   | 447              | 0.17%         | 1,710,358            | 0.13%         | 3,826           | 13                           | 20,400              |
| 4227 Petroleum and Petroleum Products Wholesalers   | 330              | 0.13%         | 3,101,692            | 0.24%         | 9,399           | 9                            | 25,087              |
| 4228 Beer, Wine, and Distilled Alcoholic Beverage Wholesalers                               | 276              | 0.11%         | 2,307,942            | 0.18%         | 8,362           | d/                           | d/                  |
| 4229 Miscellaneous Nondurable Goods Wholesalers   | 4,758            | 1.82%         | 16,528,065           | 1.29%         | 3,474           | 33                           | 104,822             |
| <b>44-45 Retail Trade</b>   | <b>27,715</b>    | <b>10.61%</b> | <b>\$104,242,151</b> | <b>8.16%</b>  | <b>\$3,761</b>  | <b>82</b>                    | <b>\$555,355</b>    |
| 441 Motor Vehicle and Parts Dealers   | 2,258            | 0.86%         | 5,809,392            | 0.45%         | 2,573           | 4                            | 1,853               |
| 442 Furniture and Home Furnishings Stores   | 1,433            | 0.55%         | 2,653,260            | 0.21%         | 1,852           | 8                            | 22,327              |
| 443 Electronics and Appliance Stores  | 1,108            | 0.42%         | 3,492,037            | 0.27%         | 3,152           | d/                           | d/                  |
| 444 Building Material and Garden Equipment and Supplies Dealers                             | 1,319            | 0.51%         | 19,874,752           | 1.56%         | 15,068          | 4                            | 17,848              |
| 445 Food and Beverage Stores  | 6,629            | 2.54%         | 17,824,659           | 1.40%         | 2,689           | 4                            | 16,789              |
| 446 Health and Personal Care Stores   | 1,818            | 0.70%         | 12,831,997           | 1.00%         | 7,058           | 5                            | 205,978             |
| 447 Gasoline Stations   | 972              | 0.37%         | 840,203              | 0.07%         | 864             | d/                           | d/                  |
| 448 Clothing and Clothing Accessories Stores  | 3,781            | 1.45%         | 16,887,430           | 1.32%         | 4,466           | 20                           | 134,948             |
| 451 Sporting Goods, Hobby, Book, and Music Stores   | 1,073            | 0.41%         | 1,250,856            | 0.10%         | 1,166           | 3                            | 24,061              |
| 452 General Merchandise Stores  | 742              | 0.28%         | 8,901,329            | 0.70%         | 11,996          | 4                            | 10,492              |
| 453 Miscellaneous Store Retailers   | 4,701            | 1.80%         | 6,447,712            | 0.50%         | 1,372           | 14                           | 55,228              |
| 454 Nonstore Retailers  | 1,881            | 0.72%         | 7,428,524            | 0.58%         | 3,949           | 13                           | 37,643              |
| <b>48-49 Transportation and Warehousing</b>   | <b>9,356</b>     | <b>3.58%</b>  | <b>\$27,911,807</b>  | <b>2.19%</b>  | <b>\$2,983</b>  | <b>57</b>                    | <b>\$109,008</b>    |
| 481 Air Transportation  | 262              | 0.10%         | 5,116,738            | 0.40%         | 19,530          | 9                            | 54,769              |
| 482 Rail Transportation   | 23               | 0.01%         | 73,225               | 0.01%         | 3,184           | d/                           | d/                  |
| 483 Water Transportation  | 197              | 0.08%         | 1,117,202            | 0.09%         | 5,671           | 5                            | 10,994              |
| 484 Truck Transportation  | 3,578            | 1.37%         | 11,425,546           | 0.89%         | 3,193           | 11                           | 5,836               |
| 485 Transit and Ground Passenger Transportation   | 2,948            | 1.13%         | 3,521,206            | 0.28%         | 1,194           | 9                            | 4,080               |
| 486 Pipeline Transportation   | 27               | 0.01%         | 1,633,272            | 0.13%         | 60,492          | d/                           | d/                  |
| 493 Warehousing and Storage   | 317              | 0.12%         | 871,886              | 0.07%         | 2,750           | 3                            | 520                 |
| <b>51 Information</b>   | <b>7,536</b>     | <b>2.89%</b>  | <b>\$86,008,944</b>  | <b>6.73%</b>  | <b>\$11,413</b> | <b>110</b>                   | <b>\$1,575,440</b>  |
| 511 Publishing Industries   | 1,955            | 0.75%         | 34,827,487           | 2.73%         | 17,815          | 47                           | 331,176             |
| 512 Motion Picture and Sound Recording Industries   | 2,264            | 0.87%         | 10,719,772           | 0.84%         | 4,735           | 12                           | 32,524              |
| 513 Broadcasting and Telecommunications   | 1,678            | 0.64%         | 18,624,235           | 1.46%         | 11,099          | 22                           | 132,297             |
| 514 Information Services and Data Processing Services                                       | 1,634            | 0.63%         | 19,703,132           | 1.54%         | 12,058          | 27                           | 100,952             |
| <b>52-53 Finance, Insurance, and Real Estate and Rental and Leasing</b>                     | <b>52,641</b>    | <b>20.16%</b> | <b>\$342,486,615</b> | <b>26.81%</b> | <b>\$6,506</b>  | <b>373</b>                   | <b>\$10,051,335</b> |
| 521 Monetary Authorities - Central Bank   | 21               | 0.01%         | 534,709              | 0.04%         | 25,462          | d/                           | d/                  |
| 522 Credit Intermediation and Related Activities  | 1,323            | 0.51%         | 9,412,404            | 0.74%         | 7,114           | 10                           | 236,623             |
| 523 Securities, Commodity Contracts, and Other Financial Investments and Related Activities | 5,099            | 1.95%         | 178,929,140          | 14.01%        | 35,091          | 128                          | 8,663,542           |
| 524 Insurance Carriers and Related Activities   | 4,275            | 1.64%         | 39,932,979           | 3.13%         | 9,341           | 42                           | 532,744             |
| 525 Funds, Trusts, and Other Financial Vehicles   | 3,277            | 1.25%         | 3,708,254            | 0.29%         | 1,132           | 4                            | 17,511              |

1/ Tax liability excludes the MTA surcharge.

2/ Tax liability includes the tax on subsidiary capital.

3/ Values represent tax on subsidiary capital prior to the application of credits.

4/ Data for selected three and four-digit NAICS subsectors may not necessarily add to the appropriate totals for the two-digit NAICS industry sectors. This is due to the fact that data may not be presented for all subsectors in a given industry sector. However, data for all subsectors are included in the appropriate industry sector totals.

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

**Table 10: Corporation Tax Liability by Industry 1/**

**Corporate Tax Years Ending Between December 1, 2001 and November 30, 2002**

| NAICS<br>Code 4/ Industry  | "C" Corporations |                | Total Tax 2/           |                |                | Subsidiary<br>Capital Tax 3/ |                     |
|--|------------------|----------------|------------------------|----------------|----------------|------------------------------|---------------------|
|  | Number           | Share          | Amount                 | Share          | Average        | Number                       | Amount              |
| 531 Real Estate  | 36,829           | 14.10%         | \$104,534,339          | 8.18%          | \$2,838        | 161                          | \$512,547           |
| 54 Professional, Scientific, and Technical<br>Services                         | 28,281           | 10.83%         | \$98,730,268           | 7.73%          | \$3,491        | 191                          | \$737,176           |
| 55 Management of Companies and Enterprises                                     | 3,187            | 1.22%          | \$76,680,026           | 6.00%          | \$24,060       | 336                          | \$2,760,184         |
| 56 Administrative and Support and Waste<br>Management and Remediation Services | 7,294            | 2.79%          | \$24,747,446           | 1.94%          | \$3,393        | 47                           | \$200,309           |
| 61 Educational Services  | 1,205            | 0.46%          | \$3,179,623            | 0.25%          | \$2,639        | 4                            | \$3,286             |
| 62 Health Care and Social Assistance   | 10,182           | 3.90%          | \$14,390,880           | 1.13%          | \$1,413        | 20                           | \$55,188            |
| 622 Hospitals  | 39               | 0.01%          | 36,702                 | 0.00%          | 941            | 0                            | 0                   |
| 623 Nursing and Residential Care Facilities                                    | 162              | 0.06%          | 304,111                | 0.02%          | 1,877          | d/                           | d/                  |
| 624 Social Assistance  | 428              | 0.16%          | 441,906                | 0.03%          | 1,032          | 0                            | 0                   |
| 71 Arts, Entertainment, and Recreation   | 5,317            | 2.04%          | \$10,682,115           | 0.84%          | \$2,009        | 20                           | \$55,813            |
| 711 Performing Arts, Spectator Sports, and Related<br>Industries               | 3,447            | 1.32%          | 5,459,695              | 0.43%          | 1,584          | 9                            | 34,349              |
| 712 Museums, Historical Sites, and Similar Institutions                        | 29               | 0.01%          | 57,598                 | 0.00%          | 1,986          | 0                            | 0                   |
| 713 Amusement, Gambling, and Recreation Industries                             | 1,841            | 0.70%          | 5,164,822              | 0.40%          | 2,805          | 11                           | 21,464              |
| 72 Accommodation and Food Services   | 10,567           | 4.05%          | \$14,643,557           | 1.15%          | \$1,386        | 28                           | \$153,717           |
| 721 Accommodation  | 809              | 0.31%          | 6,686,328              | 0.52%          | 8,265          | 6                            | 11,069              |
| 722 Food Services and Drinking Places  | 9,758            | 3.74%          | 7,957,229              | 0.62%          | 815            | 22                           | 142,648             |
| 81 Other Services (except Public Administration)                               | 15,190           | 5.82%          | \$14,911,386           | 1.17%          | \$982          | 18                           | \$70,454            |
| 811 Repair and Maintenance   | 4,899            | 1.88%          | 3,767,443              | 0.29%          | 769            | 4                            | 3,062               |
| 812 Personal and Laundry Services  | 9,324            | 3.57%          | 7,398,970              | 0.58%          | 794            | 14                           | 67,392              |
| 92 Public Administration   | 16               | 0.01%          | \$9,537                | 0.00%          | \$596          | 0                            | \$0                 |
| Industry Code Not Given  | 20,817           | 7.97%          | \$4,002,878            | 0.31%          | \$192          | 0                            | \$0                 |
| <b>GRAND TOTAL, ALL INDUSTRIES</b>   | <b>261,146</b>   | <b>100.00%</b> | <b>\$1,277,376,750</b> | <b>100.00%</b> | <b>\$4,891</b> | <b>1,992</b>                 | <b>\$23,245,474</b> |

1/ Tax liability excludes the MTA surcharge.

2/ Tax liability includes the tax on subsidiary capital.

3/ Values represent tax on subsidiary capital prior to the application of credits.

4/ Data for selected three and four-digit NAICS subsectors may not necessarily add to the appropriate totals for the two-digit NAICS industry sectors. This is due to the fact that data may not be presented for all subsectors in a given industry sector. However, data for all subsectors are included in the appropriate industry sector totals.

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 1/**

**Corporate Tax Years Ending Between December 1, 2001 and November 30, 2002**

| NAICS<br>Code 4/ Industry  | Entire Net Income 2/ |                         |                      | Fixed Dollar Minimum |                    |
|--|----------------------|-------------------------|----------------------|----------------------|--------------------|
|  | Number               | Amount                  | Tax 3/               | Number               | Tax 3/             |
| <b>11 Agriculture, Forestry, Fishing and Hunting</b>                       | <b>177</b>           | <b>\$186,123,408</b>    | <b>\$692,072</b>     | <b>678</b>           | <b>\$128,490</b>   |
| <b>21 Mining</b>   | <b>84</b>            | <b>\$1,106,276,280</b>  | <b>\$1,191,596</b>   | <b>227</b>           | <b>\$88,673</b>    |
| <b>22 Utilities</b>  | <b>142</b>           | <b>\$4,429,610,436</b>  | <b>\$79,219,539</b>  | <b>207</b>           | <b>\$64,401</b>    |
| <b>23 Construction</b>   | <b>5,384</b>         | <b>\$2,476,013,660</b>  | <b>\$36,384,927</b>  | <b>11,500</b>        | <b>\$2,243,251</b> |
| 233 Building, Developing, and General Contracting                          | 1,586                | 1,142,119,699           | 12,522,844           | 3,534                | 621,003            |
| 234 Heavy Construction   | 277                  | 299,598,018             | 6,129,871            | 532                  | 175,682            |
| 235 Special Trade Contractors  | 3,521                | 1,034,295,943           | 17,732,212           | 7,434                | 1,446,566          |
| <b>31-33 Manufacturing</b>   | <b>3,761</b>         | <b>\$53,092,408,316</b> | <b>\$178,724,570</b> | <b>8,593</b>         | <b>\$4,925,401</b> |
| 311 Food Manufacturing   | 266                  | 1,780,652,315           | 4,874,134            | 544                  | 256,339            |
| 312 Beverage and Tobacco Product Manufacturing                             | 42                   | 9,506,846,928           | 34,489,618           | 67                   | 56,101             |
| 313 Textile Mills  | 28                   | 75,231,253              | 251,806              | 62                   | 54,295             |
| 314 Textile Product Mills  | 43                   | 418,097,426             | 695,549              | 101                  | 58,626             |
| 315 Apparel Manufacturing  | 406                  | 1,104,097,715           | 7,846,140            | 1,366                | 282,254            |
| 316 Leather and Allied Product Manufacturing                               | 29                   | 51,021,599              | 508,754              | 63                   | 23,317             |
| 321 Wood Product Manufacturing   | 118                  | 113,200,917             | 861,341              | 266                  | 74,909             |
| 322 Paper Manufacturing  | 49                   | 1,179,073,853           | 2,249,786            | 114                  | 115,155            |
| 323 Printing and Related Support Activities                                | 303                  | 636,050,820             | 4,051,473            | 837                  | 264,250            |
| 324 Petroleum and Coal Products Manufacturing                              | 35                   | 9,601,043,477           | 13,456,457           | 46                   | 45,704             |
| 325 Chemical Manufacturing   | 221                  | 10,186,677,381          | 50,711,076           | 369                  | 386,394            |
| 326 Plastics and Rubber Products Manufacturing                             | 94                   | 648,139,094             | 1,848,433            | 263                  | 156,178            |
| 327 Nonmetallic Mineral Product Manufacturing                              | 89                   | 585,966,883             | 3,447,659            | 146                  | 63,297             |
| 331 Primary Metal Manufacturing  | 73                   | 2,106,150,576           | 1,145,504            | 174                  | 91,135             |
| 332 Fabricated Metal Product Manufacturing                                 | 459                  | 1,731,112,249           | 7,309,229            | 995                  | 772,859            |
| 333 Machinery Manufacturing  | 235                  | 2,408,766,779           | 8,747,102            | 544                  | 431,761            |
| 334 Computer and Electronic Product Manufacturing                          | 203                  | 1,778,880,255           | 6,791,324            | 522                  | 403,724            |
| 335 Electrical Equipment, Appliance, and Component Manufacturing           | 166                  | 1,085,492,377           | 5,036,486            | 386                  | 287,582            |
| 336 Transportation Equipment Manufacturing                                 | 107                  | 2,537,145,114           | 2,784,838            | 151                  | 243,579            |
| 337 Furniture and Related Product Manufacturing                            | 135                  | 363,655,849             | 1,708,024            | 236                  | 85,817             |
| 339 Miscellaneous Manufacturing  | 660                  | 5,195,105,456           | 19,909,837           | 1,341                | 772,125            |
| <b>42 Wholesale Trade</b>  | <b>7,361</b>         | <b>\$15,867,691,325</b> | <b>\$99,610,032</b>  | <b>13,419</b>        | <b>\$2,723,509</b> |
| <b>421 Wholesale Trade (Durable)</b>                                       | <b>4,043</b>         | <b>\$9,600,506,659</b>  | <b>\$55,243,445</b>  | <b>6,881</b>         | <b>\$1,453,956</b> |
| 4211 Motor Vehicle and Motor Vehicle Parts and Supplies Wholesalers        | 268                  | 4,728,961,960           | 15,866,727           | 471                  | 83,600             |
| 4212 Furniture and Home Furnishing Wholesalers                             | 181                  | 408,508,509             | 3,382,557            | 375                  | 60,818             |
| 4213 Lumber and Other Construction Materials Wholesalers                   | 200                  | 194,545,581             | 2,252,143            | 235                  | 57,004             |
| 4214 Professional and Commercial Equipment and Supplies Wholesalers        | 184                  | 354,140,816             | 3,152,514            | 257                  | 59,804             |
| 4215 Metal and Mineral (except Petroleum) Wholesalers                      | 102                  | 107,252,033             | 894,640              | 181                  | 51,901             |
| 4216 Electrical Goods Wholesalers  | 299                  | 602,316,063             | 2,923,051            | 471                  | 139,138            |
| 4217 Hardware, and Plumbing and Heating Equipment and Supplies Wholesalers | 257                  | 285,889,865             | 2,360,156            | 246                  | 57,861             |
| 4218 Machinery, Equipment, and Supplies Wholesalers                        | 466                  | 1,019,969,679           | 5,723,083            | 884                  | 255,934            |
| 4219 Miscellaneous Durable Goods Wholesalers                               | 2,039                | 1,898,053,238           | 18,624,575           | 3,726                | 681,983            |

1/ Tax liability excludes the MTA surcharge.

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

3/ Tax liability includes the tax on subsidiary capital.

4/ Data for selected three and four-digit NAICS subsectors may not necessarily add to the appropriate totals for the two-digit NAICS industry sectors. This is due to the fact that data may not be presented for all subsectors in a given industry sector. However, data for all subsectors are included in the appropriate industry sector totals.

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 1/**

**Corporate Tax Years Ending Between December 1, 2001 and November 30, 2002**

| NAICS<br>Code 4/ Industry   | Entire Net Income 2/ |                         |                      | Fixed Dollar Minimum |                    |
|---|----------------------|-------------------------|----------------------|----------------------|--------------------|
|   | Number               | Amount                  | Tax 3/               | Number               | Tax 3/             |
| <b>422 Wholesale Trade (Nondurable)</b>                                 | <b>3,318</b>         | <b>\$6,267,184,666</b>  | <b>\$44,366,587</b>  | <b>6,538</b>         | <b>\$1,269,553</b> |
| 4221 Paper and Paper Product Wholesalers                                | 144                  | 65,653,588              | 821,148              | 235                  | 48,503             |
| 4222 Drugs and Druggists' Sundries Wholesalers                          | 85                   | 1,201,323,828           | 5,336,642            | 175                  | 52,065             |
| 4223 Apparel, Piece Goods, and Notions Wholesalers                      | 868                  | 676,059,110             | 9,225,400            | 1,648                | 278,261            |
| 4224 Grocery and Related Product Wholesalers                            | 518                  | 1,071,614,786           | 8,272,278            | 1,002                | 184,916            |
| 4225 Farm Product Raw Material Wholesalers                              | 77                   | 27,428,015              | 406,660              | 161                  | 43,005             |
| 4226 Chemical and Allied Products Wholesalers                           | 140                  | 263,371,585             | 1,381,167            | 234                  | 93,884             |
| 4227 Petroleum and Petroleum Products Wholesalers                       | 107                  | 747,219,176             | 2,483,480            | 140                  | 49,330             |
| 4228 Beer, Wine, and Distilled Alcoholic Beverage Wholesalers           | 102                  | 179,375,222             | 2,198,745            | 129                  | 31,646             |
| 4229 Miscellaneous Nondurable Goods Wholesalers                         | 1,262                | 2,034,604,082           | 14,200,884           | 2,798                | 485,568            |
| <b>44-45 Retail Trade</b>   | <b>7,136</b>         | <b>\$16,707,757,011</b> | <b>\$91,464,657</b>  | <b>15,735</b>        | <b>\$2,640,184</b> |
| 441 Motor Vehicle and Parts Dealers                                     | 725                  | 288,316,743             | 5,063,588            | 1,047                | 161,412            |
| 442 Furniture and Home Furnishings Stores                               | 426                  | 203,897,688             | 2,188,184            | 770                  | 127,725            |
| 443 Electronics and Appliance Stores                                    | 232                  | 233,556,459             | 2,924,438            | 719                  | 123,659            |
| 444 Building Material and Garden Equipment and Supplies Dealers         | 436                  | 3,812,364,847           | 19,518,999           | 557                  | 99,502             |
| 445 Food and Beverage Stores  | 1,544                | 404,689,533             | 15,552,799           | 3,981                | 481,089            |
| 446 Health and Personal Care Stores                                     | 613                  | 1,252,604,221           | 11,842,952           | 900                  | 373,008            |
| 447 Gasoline Stations   | 281                  | 37,579,078              | 689,508              | 523                  | 71,592             |
| 448 Clothing and Clothing Accessories Stores                            | 951                  | 1,359,793,433           | 14,321,384           | 2,082                | 336,719            |
| 451 Sporting Goods, Hobby, Book, and Music Stores                       | 267                  | 118,515,792             | 888,855              | 631                  | 100,971            |
| 452 General Merchandise Stores  | 176                  | 7,824,218,239           | 7,314,574            | 444                  | 70,957             |
| 453 Miscellaneous Store Retailers                                       | 1,098                | 561,193,132             | 4,932,918            | 2,875                | 444,928            |
| 454 Nonstore Retailers  | 387                  | 611,027,846             | 6,226,458            | 1,206                | 248,622            |
| <b>48-49 Transportation and Warehousing</b>                             | <b>2,154</b>         | <b>\$6,792,882,351</b>  | <b>\$23,394,248</b>  | <b>6,110</b>         | <b>\$1,552,665</b> |
| 481 Air Transportation  | 46                   | 2,564,426,322           | 3,963,576            | 156                  | 85,666             |
| 482 Rail Transportation   | 6                    | 730,151                 | 16,174               | 11                   | 19,274             |
| 483 Water Transportation  | 46                   | 45,657,776              | 965,519              | 128                  | 34,069             |
| 484 Truck Transportation  | 856                  | 2,671,486,899           | 10,305,582           | 2,415                | 727,423            |
| 485 Transit and Ground Passenger Transportation                         | 541                  | 81,082,144              | 2,523,767            | 1,971                | 316,278            |
| 486 Pipeline Transportation   | 14                   | 580,145,520             | 1,619,902            | 12                   | 12,954             |
| 493 Warehousing and Storage   | 94                   | 36,842,349              | 715,324              | 177                  | 45,690             |
| <b>51 Information</b>   | <b>1,376</b>         | <b>\$18,927,679,529</b> | <b>\$71,572,672</b>  | <b>4,975</b>         | <b>\$1,642,488</b> |
| 511 Publishing Industries   | 388                  | 10,591,759,884          | 31,745,233           | 1,246                | 430,243            |
| 512 Motion Picture and Sound Recording Industries                       | 441                  | 1,065,806,476           | 8,679,365            | 1,519                | 311,480            |
| 513 Broadcasting and Telecommunications                                 | 287                  | 3,955,294,646           | 14,871,023           | 1,133                | 543,558            |
| 514 Information Services and Data Processing Services                   | 257                  | 2,613,379,413           | 15,928,962           | 1,077                | 357,207            |
| <b>52-53 Finance, Insurance, and Real Estate and Rental and Leasing</b> | <b>10,287</b>        | <b>\$22,173,117,229</b> | <b>\$281,960,709</b> | <b>26,456</b>        | <b>\$6,044,125</b> |
| 521 Monetary Authorities - Central Bank                                 | d/                   | d/                      | d/                   | 16                   | 4,000              |
| 522 Credit Intermediation and Related Activities                        | 332                  | 2,071,198,143           | 6,349,937            | 770                  | 267,980            |
| 523 Securities, Commodity Contracts, and Other Financial Investments    | 1,176                | 15,044,276,948          | 154,281,124          | 2,667                | 1,166,052          |
| 524 Insurance Carriers and Related Activities                           | 1,351                | 1,405,739,888           | 37,996,048           | 2,479                | 774,276            |
| 525 Funds, Trusts, and Other Financial Vehicles                         | 159                  | 229,486,240             | 2,280,549            | 2,974                | 618,243            |
| 531 Real Estate   | 6,905                | 2,760,995,761           | 77,126,563           | 16,483               | 2,888,823          |

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4/ Data for selected three and four-digit NAICS subsectors may not necessarily add to the appropriate totals for the two-digit NAICS industry sectors. This is due to the fact that data may not be presented for all subsectors in a given industry sector. However, data for all subsectors are included in the appropriate industry sector totals.

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 1/**

**Corporate Tax Years Ending Between December 1, 2001 and November 30, 2002**

| NAICS<br>Code 4/ Industry   | Entire Net Income 2/ |                          |                        | Fixed Dollar Minimum |                     |
|---|----------------------|--------------------------|------------------------|----------------------|---------------------|
|   | Number               | Amount                   | Tax 3/                 | Number               | Tax 3/              |
| <b>54 Professional, Scientific, and Technical Services</b>                | <b>6,301</b>         | <b>\$11,932,415,901</b>  | <b>\$79,548,737</b>    | <b>19,154</b>        | <b>\$5,664,846</b>  |
| <b>55 Management of Companies and Enterprises</b>                         | <b>581</b>           | <b>\$8,289,045,536</b>   | <b>\$54,978,922</b>    | <b>1,700</b>         | <b>\$1,801,080</b>  |
| <b>56 Administrative and Support and Waste Management and Remediation</b> | <b>1,901</b>         | <b>\$3,736,798,592</b>   | <b>\$20,845,878</b>    | <b>4,597</b>         | <b>\$1,305,598</b>  |
| <b>61 Educational Services</b>  | <b>277</b>           | <b>\$323,245,703</b>     | <b>\$2,659,712</b>     | <b>827</b>           | <b>\$201,775</b>    |
| <b>62 Health Care and Social Assistance</b>                               | <b>2,157</b>         | <b>\$935,735,996</b>     | <b>\$11,389,325</b>    | <b>7,226</b>         | <b>\$1,610,758</b>  |
| 622 Hospitals   | 6                    | 166,994                  | 12,523                 | 27                   | 15,618              |
| 623 Nursing and Residential Care Facilities                               | 23                   | 27,060,431               | 140,794                | 119                  | 52,734              |
| 624 Social Assistance   | 106                  | 49,879,539               | 373,121                | 299                  | 45,250              |
| <b>71 Arts, Entertainment, and Recreation</b>                             | <b>1,057</b>         | <b>\$518,853,355</b>     | <b>\$8,624,842</b>     | <b>3,679</b>         | <b>\$670,922</b>    |
| 711 Performing Arts, Spectator Sports, and Related Industries             | 666                  | 366,980,188              | 4,444,715              | 2,554                | 448,125             |
| 712 Museums, Historical Sites, and Similar Institutions                   | 5                    | 28,256                   | 2,120                  | 18                   | 2,038               |
| 713 Amusement, Gambling, and Recreation Industries                        | 386                  | 151,844,911              | 4,178,007              | 1,107                | 220,759             |
| <b>72 Accommodation and Food Services</b>                                 | <b>2,140</b>         | <b>\$1,217,570,138</b>   | <b>\$10,245,486</b>    | <b>6,870</b>         | <b>\$1,135,960</b>  |
| 721 Accommodation   | 182                  | 644,218,113              | 4,465,450              | 420                  | 121,207             |
| 722 Food Services and Drinking Places                                     | 1,958                | 573,352,025              | 5,780,036              | 6,450                | 1,014,753           |
| <b>81 Other Services (except Public Administration)</b>                   | <b>3,155</b>         | <b>\$771,708,655</b>     | <b>\$11,759,633</b>    | <b>10,163</b>        | <b>\$1,460,763</b>  |
| 811 Repair and Maintenance  | 1,108                | 179,783,268              | 2,991,210              | 3,257                | 470,445             |
| 812 Personal and Laundry Services   | 1,866                | 361,492,089              | 5,219,629              | 6,341                | 893,315             |
| <b>92 Public Administration</b>   | <b>6</b>             | <b>\$92,375</b>          | <b>\$6,927</b>         | <b>6</b>             | <b>\$1,600</b>      |
| <b>Industry Code Not Given</b>  | <b>0</b>             | <b>\$0</b>               | <b>\$0</b>             | <b>20,817</b>        | <b>\$4,002,878</b>  |
| <b>GRAND TOTAL, ALL INDUSTRIES</b>  | <b>55,437</b>        | <b>\$169,485,025,796</b> | <b>\$1,064,274,484</b> | <b>162,939</b>       | <b>\$39,909,367</b> |

1/ Tax liability excludes the MTA surcharge.

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

3/ Tax liability includes the tax on subsidiary capital.

4/ Data for selected three and four-digit NAICS subsectors may not necessarily add to the appropriate totals for the two-digit NAICS industry sectors. This is due to the fact that data may not be presented for all subsectors in a given industry sector. However, data for all subsectors are included in the appropriate industry sector totals.

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 (Cont'd) 1/**

**Corporate Tax Years Ending Between December 1, 2001 and November 30, 2002**

| NAICS<br>Code 4/ Industry  | Capital      |                     | Minimum Taxable Income |                     |
|--|--------------|---------------------|------------------------|---------------------|
|  | Number       | Tax 3/              | Number                 | Tax 3/              |
| <b>11 Agriculture, Forestry, Fishing and Hunting</b>                       | <b>172</b>   | <b>\$190,973</b>    | <b>119</b>             | <b>\$190,622</b>    |
| <b>21 Mining</b>   | <b>72</b>    | <b>\$256,155</b>    | <b>29</b>              | <b>\$351,083</b>    |
| <b>22 Utilities</b>  | <b>82</b>    | <b>\$4,278,624</b>  | <b>8</b>               | <b>\$1,046,527</b>  |
| <b>23 Construction</b>   | <b>1,642</b> | <b>\$2,087,474</b>  | <b>667</b>             | <b>\$1,249,059</b>  |
| 233 Building, Developing, and General Contracting                          | 595          | 633,949             | 201                    | 395,551             |
| 234 Heavy Construction   | 160          | 352,022             | 65                     | 210,625             |
| 235 Special Trade Contractors  | 887          | 1,101,503           | 401                    | 642,883             |
| <b>31-33 Manufacturing</b>   | <b>2,306</b> | <b>\$13,063,976</b> | <b>986</b>             | <b>\$14,920,554</b> |
| 311 Food Manufacturing   | 131          | 490,286             | 73                     | 463,587             |
| 312 Beverage and Tobacco Product Manufacturing                             | 15           | 87,505              | 10                     | 881,116             |
| 313 Textile Mills  | 34           | 136,979             | 4                      | 16,789              |
| 314 Textile Product Mills  | 44           | 184,044             | 6                      | 39,035              |
| 315 Apparel Manufacturing  | 238          | 672,879             | 69                     | 96,088              |
| 316 Leather and Allied Product Manufacturing                               | 28           | 40,760              | 10                     | 337,324             |
| 321 Wood Product Manufacturing   | 64           | 165,815             | 33                     | 51,665              |
| 322 Paper Manufacturing  | 50           | 420,527             | 30                     | 279,564             |
| 323 Printing and Related Support Activities                                | 169          | 427,723             | 108                    | 1,182,051           |
| 324 Petroleum and Coal Products Manufacturing                              | 18           | 425,748             | 4                      | 11,084              |
| 325 Chemical Manufacturing   | 110          | 1,013,292           | 39                     | 2,409,746           |
| 326 Plastics and Rubber Products Manufacturing                             | 68           | 201,913             | 48                     | 591,745             |
| 327 Nonmetallic Mineral Product Manufacturing                              | 62           | 219,239             | 51                     | 1,017,057           |
| 331 Primary Metal Manufacturing  | 34           | 83,959              | 26                     | 1,106,288           |
| 332 Fabricated Metal Product Manufacturing                                 | 282          | 314,223             | 144                    | 541,185             |
| 333 Machinery Manufacturing  | 142          | 873,324             | 57                     | 433,857             |
| 334 Computer and Electronic Product Manufacturing                          | 218          | 3,895,920           | 36                     | 1,240,691           |
| 335 Electrical Equipment, Appliance, and Component Manufacturing           | 154          | 970,602             | 47                     | 665,518             |
| 336 Transportation Equipment Manufacturing                                 | 47           | 382,880             | 24                     | 859,011             |
| 337 Furniture and Related Product Manufacturing                            | 41           | 286,418             | 23                     | 103,714             |
| 339 Miscellaneous Manufacturing  | 357          | 1,769,940           | 144                    | 2,593,439           |
| <b>42 Wholesale Trade</b>  | <b>3,558</b> | <b>\$9,098,722</b>  | <b>668</b>             | <b>\$2,019,287</b>  |
| <b>421 Wholesale Trade (Durable)</b>                                       | <b>2,073</b> | <b>\$4,496,881</b>  | <b>343</b>             | <b>\$1,163,647</b>  |
| 4211 Motor Vehicle and Motor Vehicle Parts and Supplies Wholesalers        | 146          | 389,005             | 33                     | 137,432             |
| 4212 Furniture and Home Furnishing Wholesalers                             | 85           | 96,132              | 20                     | 12,900              |
| 4213 Lumber and Other Construction Materials Wholesalers                   | 88           | 94,349              | 16                     | 49,270              |
| 4214 Professional and Commercial Equipment and Supplies Wholesalers        | 62           | 53,985              | 18                     | 491,608             |
| 4215 Metal and Mineral (except Petroleum) Wholesalers                      | 99           | 231,526             | 12                     | 5,692               |
| 4216 Electrical Goods Wholesalers  | 176          | 795,497             | 17                     | 13,318              |
| 4217 Hardware, and Plumbing and Heating Equipment and Supplies Wholesalers | 142          | 212,717             | 15                     | 6,150               |
| 4218 Machinery, Equipment, and Supplies Wholesalers                        | 262          | 403,984             | 41                     | 68,250              |
| 4219 Miscellaneous Durable Goods Wholesalers                               | 997          | 2,213,950           | 168                    | 378,180             |

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3/ Tax liability includes the tax on subsidiary capital.

4/ Data for selected three and four-digit NAICS subsectors may not necessarily add to the appropriate totals for the two-digit NAICS industry sectors. This is due to the fact that data may not be presented for all subsectors in a given industry sector. However, data for all subsectors are included in the appropriate industry sector totals.

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 (Cont'd) 1/**

**Corporate Tax Years Ending Between December 1, 2001 and November 30, 2002**

| NAICS<br>Code 4/ Industry   | Capital       |                     | Minimum Taxable Income |                    |
|---|---------------|---------------------|------------------------|--------------------|
|   | Number        | Tax 3/              | Number                 | Tax 3/             |
| <b>422 Wholesale Trade (Nondurable)</b>                                 | <b>1,485</b>  | <b>\$4,601,841</b>  | <b>325</b>             | <b>\$855,640</b>   |
| 4221 Paper and Paper Product Wholesalers                                | 55            | 112,904             | 8                      | 10,258             |
| 4222 Drugs and Druggists' Sundries Wholesalers                          | 51            | 681,118             | 3                      | 12,669             |
| 4223 Apparel, Piece Goods, and Notions Wholesalers                      | 420           | 1,063,640           | 94                     | 114,978            |
| 4224 Grocery and Related Product Wholesalers                            | 179           | 325,546             | 50                     | 348,618            |
| 4225 Farm Product Raw Material Wholesalers                              | 39            | 52,373              | 7                      | 10,751             |
| 4226 Chemical and Allied Products Wholesalers                           | 64            | 131,980             | 9                      | 103,327            |
| 4227 Petroleum and Petroleum Products Wholesalers                       | 72            | 418,161             | 11                     | 150,721            |
| 4228 Beer, Wine, and Distilled Alcoholic Beverage Wholesalers           | 37            | 72,789              | 8                      | 4,762              |
| 4229 Miscellaneous Nondurable Goods Wholesalers                         | 566           | 1,742,764           | 132                    | 98,849             |
| <b>44-45 Retail Trade</b>   | <b>3,978</b>  | <b>\$8,983,001</b>  | <b>866</b>             | <b>\$1,154,309</b> |
| 441 Motor Vehicle and Parts Dealers                                     | 405           | 526,623             | 81                     | 57,769             |
| 442 Furniture and Home Furnishings Stores                               | 195           | 316,114             | 42                     | 21,237             |
| 443 Electronics and Appliance Stores                                    | 124           | 397,995             | 33                     | 45,945             |
| 444 Building Material and Garden Equipment and Supplies Dealers         | 286           | 215,594             | 40                     | 40,657             |
| 445 Food and Beverage Stores  | 888           | 1,428,245           | 216                    | 362,526            |
| 446 Health and Personal Care Stores                                     | 244           | 561,599             | 61                     | 54,438             |
| 447 Gasoline Stations   | 110           | 55,017              | 58                     | 24,086             |
| 448 Clothing and Clothing Accessories Stores                            | 637           | 2,161,748           | 111                    | 67,579             |
| 451 Sporting Goods, Hobby, Book, and Music Stores                       | 147           | 244,079             | 28                     | 16,951             |
| 452 General Merchandise Stores  | 105           | 1,300,623           | 17                     | 215,175            |
| 453 Miscellaneous Store Retailers                                       | 598           | 895,608             | 130                    | 174,258            |
| 454 Nonstore Retailers  | 239           | 879,756             | 49                     | 73,688             |
| <b>48-49 Transportation and Warehousing</b>                             | <b>865</b>    | <b>\$2,746,349</b>  | <b>227</b>             | <b>\$218,545</b>   |
| 481 Air Transportation  | 53            | 1,048,902           | 7                      | 18,594             |
| 482 Rail Transportation   | 6             | 37,777              | 0                      | 0                  |
| 483 Water Transportation  | 17            | 104,070             | 6                      | 13,544             |
| 484 Truck Transportation  | 239           | 340,038             | 68                     | 52,503             |
| 485 Transit and Ground Passenger Transportation                         | 353           | 631,721             | 83                     | 49,440             |
| 486 Pipeline Transportation   | d/            | d/                  | 0                      | 0                  |
| 493 Warehousing and Storage   | 39            | 107,432             | 7                      | 3,440              |
| <b>51 Information</b>   | <b>999</b>    | <b>\$12,005,814</b> | <b>186</b>             | <b>\$787,970</b>   |
| 511 Publishing Industries   | 272           | 2,229,252           | 49                     | 422,759            |
| 512 Motion Picture and Sound Recording Industries                       | 237           | 1,593,636           | 67                     | 135,291            |
| 513 Broadcasting and Telecommunications                                 | 223           | 3,066,705           | 35                     | 142,949            |
| 514 Information Services and Data Processing Services                   | 265           | 3,329,992           | 35                     | 86,971             |
| <b>52-53 Finance, Insurance, and Real Estate and Rental and Leasing</b> | <b>14,596</b> | <b>\$45,016,551</b> | <b>1,302</b>           | <b>\$9,465,230</b> |
| 521 Monetary Authorities - Central Bank                                 | 3             | 390,853             | 0                      | 0                  |
| 522 Credit Intermediation and Related Activities                        | 186           | 1,968,165           | 35                     | 826,322            |
| 523 Securities, Commodity Contracts, and Other Financial Investments    | 1,183         | 16,661,351          | 73                     | 6,820,613          |
| 524 Insurance Carriers and Related Activities                           | 362           | 1,049,453           | 83                     | 113,202            |
| 525 Funds, Trusts, and Other Financial Vehicles                         | 129           | 394,801             | 15                     | 414,661            |
| 531 Real Estate   | 12,418        | 23,472,591          | 1,023                  | 1,046,362          |

1/ Tax liability excludes the MTA surcharge.

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3/ Tax liability includes the tax on subsidiary capital.

4/ Data for selected three and four-digit NAICS subsectors may not necessarily add to the appropriate totals for the two-digit NAICS industry sectors. This is due to the fact that data may not be presented for all subsectors in a given industry sector. However, data for all subsectors are included in the appropriate industry sector totals.

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 (Cont'd) 1/**

**Corporate Tax Years Ending Between December 1, 2001 and November 30, 2002**

| NAICS<br>Code 4/ Industry   | Capital       |                      | Minimum Taxable Income |                     |
|---|---------------|----------------------|------------------------|---------------------|
|   | Number        | Tax 3/               | Number                 | Tax 3/              |
| <b>54 Professional, Scientific, and Technical Services</b>                | <b>2,290</b>  | <b>\$12,726,517</b>  | <b>536</b>             | <b>\$790,168</b>    |
| <b>55 Management of Companies and Enterprises</b>                         | <b>837</b>    | <b>\$16,106,434</b>  | <b>69</b>              | <b>\$3,793,590</b>  |
| <b>56 Administrative and Support and Waste Management and Remediation</b> | <b>603</b>    | <b>\$2,279,393</b>   | <b>193</b>             | <b>\$316,577</b>    |
| <b>61 Educational Services</b>  | <b>75</b>     | <b>\$284,826</b>     | <b>26</b>              | <b>\$33,310</b>     |
| <b>62 Health Care and Social Assistance</b>                               | <b>507</b>    | <b>\$1,166,249</b>   | <b>292</b>             | <b>\$224,548</b>    |
| 622 Hospitals   | 4             | 3,327                | d/                     | d/                  |
| 623 Nursing and Residential Care Facilities                               | 16            | 108,476              | 4                      | 2,107               |
| 624 Social Assistance   | 15            | 11,379               | 8                      | 12,156              |
| <b>71 Arts, Entertainment, and Recreation</b>                             | <b>476</b>    | <b>\$1,325,512</b>   | <b>105</b>             | <b>\$60,839</b>     |
| 711 Performing Arts, Spectator Sports, and Related Industries             | 176           | 544,203              | 51                     | 22,652              |
| 712 Museums, Historical Sites, and Similar Institutions                   | 4             | 52,280               | d/                     | d/                  |
| 713 Amusement, Gambling, and Recreation Industries                        | 296           | 729,029              | 52                     | 37,027              |
| <b>72 Accommodation and Food Services</b>                                 | <b>1,083</b>  | <b>\$2,953,161</b>   | <b>474</b>             | <b>\$308,950</b>    |
| 721 Accommodation   | 175           | 2,053,136            | 32                     | 46,535              |
| 722 Food Services and Drinking Places                                     | 908           | 900,025              | 442                    | 262,415             |
| <b>81 Other Services (except Public Administration)</b>                   | <b>1,429</b>  | <b>\$1,529,110</b>   | <b>443</b>             | <b>\$161,880</b>    |
| 811 Repair and Maintenance  | 361           | 248,928              | 173                    | 56,860              |
| 812 Personal and Laundry Services   | 865           | 1,185,427            | 252                    | 100,599             |
| <b>92 Public Administration</b>   | <b>4</b>      | <b>\$1,010</b>       | <b>0</b>               | <b>\$0</b>          |
| <b>Industry Code Not Given</b>  | <b>0</b>      | <b>\$0</b>           | <b>0</b>               | <b>\$0</b>          |
| <b>GRAND TOTAL, ALL INDUSTRIES</b>  | <b>35,574</b> | <b>\$136,099,851</b> | <b>7,196</b>           | <b>\$37,093,048</b> |

1/ Tax liability excludes the MTA surcharge.

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

3/ Tax liability includes the tax on subsidiary capital.

4/ Data for selected three and four-digit NAICS subsectors may not necessarily add to the appropriate totals for the two-digit NAICS industry sectors. This is due to the fact that data may not be presented for all subsectors in a given industry sector. However, data for all subsectors are included in the appropriate industry sector totals.

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

**Table 12: Corporation Tax Liability by Fiscal Period and Basis of Tax Paid**

**Corporate Tax Years Ending Between December 1, 2001 and November 30, 2002**

| 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                    |
| 12/31/01        | 30,138                 | \$742,750,681          | 90,665               | \$25,261,340        | 19,746        | \$98,619,522         | 3,539                                   | \$22,252,844        | 144,088        | \$888,884,387          |
| 01/31/02        | 1,492                  | 45,123,983             | 4,564                | 944,050             | 945           | 3,692,634            | 219                                     | 875,373             | 7,220          | 50,636,040             |
| 02/28/02        | 1,891                  | 18,293,539             | 5,558                | 1,021,819           | 1,044         | 4,185,170            | 262                                     | 661,288             | 8,755          | 24,161,816             |
| 03/31/02        | 3,350                  | 64,515,683             | 8,725                | 1,972,121           | 2,172         | 6,046,342            | 456                                     | 1,093,212           | 14,703         | 73,627,358             |
| 04/30/02        | 1,885                  | 13,709,672             | 5,683                | 979,489             | 1,188         | 1,809,450            | 260                                     | 594,118             | 9,016          | 17,092,729             |
| 05/31/02        | 2,056                  | 20,480,100             | 5,924                | 979,972             | 1,174         | 2,188,715            | 277                                     | 475,995             | 9,431          | 24,124,782             |
| 06/30/02        | 3,976                  | 56,739,039             | 10,282               | 2,309,476           | 2,602         | 7,224,218            | 579                                     | 1,517,671           | 17,439         | 67,790,404             |
| 07/31/02        | 1,715                  | 7,933,103              | 5,450                | 922,939             | 1,077         | 1,615,961            | 264                                     | 431,301             | 8,506          | 10,903,304             |
| 08/31/02        | 1,754                  | 14,048,879             | 5,682                | 951,789             | 1,149         | 1,248,499            | 308                                     | 361,287             | 8,893          | 16,610,454             |
| 09/30/02        | 3,668                  | 44,509,278             | 9,492                | 2,616,634           | 2,257         | 5,285,837            | 487                                     | 1,626,700           | 15,904         | 54,038,449             |
| 10/31/02        | 1,983                  | 15,638,572             | 6,147                | 1,100,348           | 1,256         | 2,743,703            | 295                                     | 292,356             | 9,681          | 19,774,979             |
| 11/30/02        | 1,529                  | 20,531,955             | 4,767                | 849,390             | 964           | 1,439,800            | 250                                     | 6,910,903           | 7,510          | 29,732,048             |
| <b>Total</b>    | <b>55,437</b>          | <b>\$1,064,274,484</b> | <b>162,939</b>       | <b>\$39,909,367</b> | <b>35,574</b> | <b>\$136,099,851</b> | <b>7,196</b>                            | <b>\$37,093,048</b> | <b>261,146</b> | <b>\$1,277,376,750</b> |

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

| Item   | Total   |                   |
|--|---------|-------------------|
|  | Number  | Amount            |
| Federal Taxable Income Before NOL                        | 119,985 | \$38,682,308,889  |
| Interest on Federal, State Obligations                   | 2,667   | 5,522,285,423     |
| Interest Paid to Stockholders                            | 1,422   | 6,666,626,864     |
| Deductions Directly Attributed to Subsidiary Capital     | 395     | 10,992,404,783    |
| Non-Interest Directly Attributed to Subsidiary Capital   | 282     | 2,955,422,715     |
| Deductions Indirectly Attributed to Subsidiary Capital   | 1,096   | 24,137,382,690    |
| Non-Interest Indirectly Attributed to Subsidiary Capital | 961     | 8,590,730,745     |
| NYS, Other State and Local Taxes Deduction               | 98,937  | 9,915,764,032     |
| ACRS/MACRS Deduction                                     | 4,847   | 80,095,808,475    |
| Other Additions  | 1,692   | 12,005,077,321    |
| Income from Subsidiary Capital                           | 1,645   | 153,601,669,196   |
| 50% of Dividends   | 6,528   | 3,423,747,881     |
| Foreign Dividends  | 653     | 8,501,354,238     |
| NY Net Operating Loss Deduction                          | 23,356  | 124,244,233,537   |
| Allowable NY Depreciation                                | 4,876   | 81,875,842,655    |
| Other Subtractions                                       | 4,820   | 31,283,189,588    |
| Entire Net Income  | 118,766 | (203,365,211,558) |
| Investment Income Before Allocation                      | 4,239   | 13,996,538,514    |
| Business Income Before Allocation                        | 116,742 | (217,361,750,035) |
| Allocated Investment Income                              | 2,101   | 334,344,107       |
| Allocated Business Income                                | 79,191  | (21,661,425,896)  |
| Optional Depreciation Adjustment                         | 25      | 341,369           |
| Entire Net Income Base                                   | 116,864 | (21,282,408,474)  |
| Tax on ENI Base  | 78,135  | 1,233,183,472     |
| Largest of 4 Bases (Tax Before Credit)                   | 123,714 | 1,384,677,914     |
| Subsidiary Capital Base                                  | 2,052   | 25,813,847,820    |
| Tax on Allocated Subsidiary Capital                      | 1,992   | 23,245,474        |
| Tax Credits: Total                                       | 3,729   | 160,218,717       |
| Tax Due  | 123,714 | 1,248,297,713     |
| Fixed Dollar Minimum Tax on Subsidiaries                 | 3,079   | 6,749,060         |
| Total Tax Liability                                      | 123,714 | 1,255,046,773     |

\* 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   | Total  |                   |
|--|--------|-------------------|
|  | Number | Amount            |
| Federal Taxable Income Before NOL                        | 55,249 | \$197,688,553,959 |
| Interest on Federal, State Obligations                   | 1,132  | 986,380,611       |
| Interest Paid to Stockholders                            | 675    | 2,652,156,852     |
| Deductions Directly Attributed to Subsidiary Capital     | 117    | 2,250,156,079     |
| Non-Interest Directly Attributed to Subsidiary Capital   | 105    | 747,127,431       |
| Deductions Indirectly Attributed to Subsidiary Capital   | 371    | 5,225,200,217     |
| Non-Interest Indirectly Attributed to Subsidiary Capital | 357    | 2,115,502,324     |
| NYS, Other State and Local Taxes Deduction               | 46,652 | 7,689,879,302     |
| ACRS/MACRS Deduction                                     | 1,812  | 22,237,625,750    |
| Other Additions  | 609    | 7,717,046,797     |
| Income from Subsidiary Capital                           | 521    | 37,637,221,373    |
| 50% of Dividends   | 2,648  | 756,139,388       |
| Foreign Dividends  | 251    | 2,594,231,761     |
| NY Net Operating Loss Deduction                          | 7,053  | 7,809,198,212     |
| Allowable NY Depreciation                                | 1,778  | 22,393,789,869    |
| Other Subtractions                                       | 1,634  | 8,636,373,674     |
| Entire Net Income  | 55,437 | 169,485,025,796   |
| Investment Income Before Allocation                      | 1,765  | 8,129,379,491     |
| Business Income Before Allocation                        | 55,150 | 161,355,646,331   |
| Allocated Investment Income                              | 1,179  | 220,788,316       |
| Allocated Business Income                                | 33,291 | 13,102,101,832    |
| Optional Depreciation Adjustment                         | 7      | (28,524)          |
| Entire Net Income Base                                   | 55,437 | 13,849,123,049    |
| Tax on ENI Base  | 55,437 | 1,091,842,699     |
| Largest of 4 Bases (Tax Before Credit)                   | 55,437 | 1,091,843,162     |
| Subsidiary Capital Base                                  | 559    | 8,055,458,587     |
| Tax on Allocated Subsidiary Capital                      | 544    | 7,250,346         |
| Tax Credits: Total                                       | 1,053  | 36,679,026        |
| Tax Due  | 55,437 | 1,062,414,584     |
| Fixed Dollar Minimum Tax on Subsidiaries                 | 865    | 1,859,900         |
| Total Tax Liability                                      | 55,437 | 1,064,274,484     |

\* 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   | Total  |                    |
|--|--------|--------------------|
|  | Number | Amount             |
| Federal Taxable Income Before NOL                        | 23,361 | (\$98,961,442,339) |
| Interest on Federal, State Obligations                   | 589    | 3,370,138,910      |
| Interest Paid to Stockholders                            | 410    | 1,648,048,706      |
| Deductions Directly Attributed to Subsidiary Capital     | 132    | 5,376,587,513      |
| Non-Interest Directly Attributed to Subsidiary Capital   | 78     | 1,454,872,281      |
| Deductions Indirectly Attributed to Subsidiary Capital   | 349    | 11,083,197,837     |
| Non-Interest Indirectly Attributed to Subsidiary Capital | 267    | 2,999,432,447      |
| NYS, Other State and Local Taxes Deduction               | 18,167 | 882,804,693        |
| ACRS/MACRS Deduction                                     | 1,564  | 30,199,478,226     |
| Other Additions  | 684    | 1,056,858,598      |
| Income from Subsidiary Capital                           | 515    | 53,421,800,952     |
| 50% of Dividends   | 1,209  | 1,204,201,878      |
| Foreign Dividends  | 186    | 4,317,704,932      |
| NY Net Operating Loss Deduction                          | 3,971  | 55,587,366,598     |
| Allowable NY Depreciation                                | 1,553  | 30,543,332,631     |
| Other Subtractions                                       | 1,718  | 15,984,926,568     |
| Entire Net Income  | 23,717 | (201,949,748,531)  |
| Investment Income Before Allocation                      | 1,573  | (986,416,395)      |
| Business Income Before Allocation                        | 22,431 | (200,963,332,123)  |
| Allocated Investment Income                              | 277    | (102,342,448)      |
| Allocated Business Income                                | 21,332 | (14,966,720,553)   |
| Optional Depreciation Adjustment                         | 7      | 257,643            |
| Entire Net Income Base                                   | 21,926 | (15,091,062,097)   |
| Tax on ENI Base  | 7,414  | 50,158,604         |
| Largest of 4 Bases (Tax Before Credit)                   | 25,507 | 74,332,749         |
| Subsidiary Capital Base                                  | 724    | 4,057,663,736      |
| Tax on Allocated Subsidiary Capital                      | 701    | 3,652,055          |
| Tax Credits: Total                                       | 1,356  | 62,557,529         |
| Tax Due  | 25,507 | 16,020,107         |
| Fixed Dollar Minimum Tax on Subsidiaries                 | 819    | 1,559,284          |
| Total Tax Liability                                      | 25,507 | 17,579,391         |

\* These items should be viewed as independently selected items of interest. The columns are not additive and cannot be summed. This table now includes "true" minimum taxpayers who allocate their income. See Appendix A for details.

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

| Item   | Capital Base |                    |
|--|--------------|--------------------|
|  | Number       | Amount             |
| Federal Taxable Income Before NOL                        | 34,240       | (\$82,324,009,671) |
| Interest on Federal, State Obligations                   | 875          | 972,998,558        |
| Interest Paid to Stockholders                            | 281          | 2,313,576,577      |
| Deductions Directly Attributed to Subsidiary Capital     | 120          | 2,660,565,245      |
| Non-Interest Directly Attributed to Subsidiary Capital   | 76           | 479,424,524        |
| Deductions Indirectly Attributed to Subsidiary Capital   | 323          | 6,546,360,050      |
| Non-Interest Indirectly Attributed to Subsidiary Capital | 303          | 2,661,392,256      |
| NYS, Other State and Local Taxes Deduction               | 28,185       | 855,849,885        |
| ACRS/MACRS Deduction                                     | 1,227        | 24,394,318,019     |
| Other Additions  | 337          | 3,165,825,006      |
| Income from Subsidiary Capital                           | 532          | 56,562,927,839     |
| 50% of Dividends   | 2,444        | 821,774,306        |
| Foreign Dividends  | 185          | 867,299,925        |
| NY Net Operating Loss Deduction                          | 6,436        | 49,243,037,541     |
| Allowable NY Depreciation                                | 1,288        | 25,722,770,326     |
| Other Subtractions                                       | 1,263        | 5,817,875,251      |
| Entire Net Income  | 33,484       | (177,309,050,942)  |
| Investment Income Before Allocation                      | 744          | 4,619,614,026      |
| Business Income Before Allocation                        | 33,060       | (181,928,664,970)  |
| Allocated Investment Income                              | 534          | 141,425,521        |
| Allocated Business Income                                | 20,690       | (20,492,285,361)   |
| Optional Depreciation Adjustment                         | 8            | (209,908)          |
| Entire Net Income Base                                   | 33,386       | (20,792,927,068)   |
| Tax on ENI Base  | 9,967        | 8,752,875          |
| Total Capital  | 35,574       | 1,470,857,561,437  |
| Subsidiary Capital                                       | 1,348        | 378,791,874,414    |
| Investment Capital                                       | 1,502        | 105,456,603,961    |
| Business Capital   | 35,501       | 986,609,083,023    |
| Allocated Investment Capital                             | 1,065        | 2,933,313,303      |
| Allocated Business Capital                               | 22,266       | 149,626,033,693    |
| Capital Base   | 35,574       | 159,790,530,714    |
| Tax on Capital Base                                      | 35,574       | 126,157,438        |
| Largest of 4 Bases (Tax Before Credit)                   | 35,574       | 126,504,171        |
| Subsidiary Capital Base                                  | 686          | 12,655,847,854     |
| Tax on Allocated Subsidiary Capital                      | 664          | 11,402,682         |
| Tax Credits: Total                                       | 286          | 4,798,805          |
| Tax Due  | 35,574       | 133,108,138        |
| Fixed Dollar Minimum Tax on Subsidiaries                 | 1,177        | 2,991,713          |
| Total Tax Liability                                      | 35,574       | 136,099,851        |

\* 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                        | 7,135                        | \$22,279,206,940 |
| Interest on Federal, State Obligations                   | 71                           | 192,767,344      |
| Interest Paid to Stockholders                            | 56                           | 52,844,729       |
| Deductions Directly Attributed to Subsidiary Capital     | 26                           | 705,095,946      |
| Non-Interest Directly Attributed to Subsidiary Capital   | 23                           | 273,998,479      |
| Deductions Indirectly Attributed to Subsidiary Capital   | 53                           | 1,282,624,586    |
| Non-Interest Indirectly Attributed to Subsidiary Capital | 34                           | 814,403,718      |
| NYS, Other State and Local Taxes Deduction               | 5,933                        | 487,230,152      |
| ACRS/MACRS Deduction                                     | 244                          | 3,264,386,480    |
| Other Additions  | 62                           | 65,346,920       |
| Income from Subsidiary Capital                           | 77                           | 5,979,719,032    |
| 50% of Dividends   | 227                          | 641,632,309      |
| Foreign Dividends  | 31                           | 722,117,620      |
| NY Net Operating Loss Deduction                          | 5,896                        | 11,604,631,186   |
| Allowable NY Depreciation                                | 257                          | 3,215,949,829    |
| Other Subtractions                                       | 205                          | 844,014,095      |
| Entire Net Income  | 6,128                        | 6,408,562,119    |
| Investment Income Before Allocation                      | 157                          | 2,233,961,392    |
| Business Income Before Allocation                        | 6,101                        | 4,174,600,727    |
| Allocated Investment Income                              | 111                          | 74,472,718       |
| Allocated Business Income                                | 3,878                        | 695,478,186      |
| Optional Depreciation Adjustment                         | 3                            | 322,158          |
| Entire Net Income Base                                   | 6,115                        | 752,457,642      |
| Tax on ENI Base  | 5,317                        | 82,429,294       |
| Depreciation of Tangible Property                        | 3,020                        | 634,319,511      |
| Amortization of Mining Costs                             | 10                           | 3,096,128        |
| Amortization Circulation Expenditures                    | 1                            | (1)              |
| Basis Adjustments  | 424                          | (802,733,750)    |
| Long Term Contracts                                      | 62                           | 23,175,988       |
| Installment Sales  | 3                            | (35,462)         |
| Merchant Marine Capital Construction                     | 1                            | 17,245,828       |
| Passive Activity Loss                                    | 29                           | 180,865          |
| Depletion  | 22                           | 57,023,559       |
| Appreciated Property Charitable Deduction                | 239                          | 671,608          |
| Intangible Drilling Costs                                | 7                            | 2,287,151        |
| Net Operating Loss Deduction - Alternative Minimum Tax   | 3,553                        | 11,531,110,039   |
| Alternative NOL Deduction - Alternative Minimum Tax      | 1,848                        | 4,642,529,345    |
| Minimum Taxable Income - Alternative Minimum Tax         | 7,196                        | 13,330,986,865   |
| Investment Income Before Alternative NOL (Balance)       | 182                          | 11,976,203,163   |
| Apport NYS Alternative NOL Deduction                     | 62                           | 437,161,430      |
| Alternative Business Income Before Allocation            | 7,183                        | 11,042,939,005   |
| Allocated Alternative Business Income                    | 7,179                        | 1,383,035,102    |
| Allocated Alternative Investment Income                  | 365                          | 76,716,539       |
| Minimum Taxable Income Base                              | 7,196                        | 1,459,429,479    |
| Tax on Minimum Taxable Income Base                       | 7,196                        | 36,485,654       |
| Largest of 4 Bases (Tax Before Credit)                   | 7,196                        | 91,997,832       |
| Subsidiary Capital Base                                  | 83                           | 1,044,877,643    |
| Tax on Allocated Subsidiary Capital                      | 83                           | 940,391          |
| Tax Credits: Total                                       | 1,034                        | 56,183,357       |
| Tax Due  | 7,196                        | 36,754,884       |
| Fixed Dollar Minimum Tax on Subsidiaries                 | 218                          | 338,163          |
| Total Tax Liability                                      | 7,196                        | 37,093,047       |

\*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\***

| Item   | Agriculture, Forestry, Fishing<br>and Hunting |               | Mining |                 | Utilities |                 |
|--|---|---------------|--------|-----------------|-----------|-----------------|
|  | Number  | Amount        | Number | Amount          | Number    | Amount          |
| Federal Taxable Income Before NOL                        | 694   | \$125,083,336 | 261    | \$1,168,557,693 | 274       | \$216,481,562   |
| Interest on Federal, State Obligations                   | 10  | 1,483,139     | 10     | 724,231         | 5         | 9,761,389       |
| Interest Paid to Stockholders                            | 6   | 3,741,388     | 6      | 36,706,931      | 5         | 55,533,980      |
| Deductions Directly Attributed to Subsidiary Capital     | d/  | d/            | 4      | 205,916,933     | d/        | d/              |
| Non-Interest Directly Attributed to Subsidiary Capital   | 0   | 0             | 0      | 0               | 0         | 0               |
| Deductions Indirectly Attributed to Subsidiary Capital   | 4   | 11,832,911    | 4      | 81,543,230      | 8         | 651,809,042     |
| Non-Interest Indirectly Attributed to Subsidiary Capital | 4   | 23,998,704    | 4      | 11,891,839      | 4         | 144,555,857     |
| NYS, Other State and Local Taxes Deduction               | 534   | 9,082,234     | 201    | 91,785,095      | 204       | 204,356,820     |
| ACRS/MACRS Deduction                                     | 47  | 12,553,532    | 21     | 571,033,273     | 19        | 272,508,829     |
| Other Additions  | 11  | 104,770       | 10     | 38,220,415      | 32        | 2,765,323,453   |
| Income from Subsidiary Capital                           | 5   | 78,073,399    | 11     | 142,192,040     | 10        | 620,748,055     |
| 50% of Dividends   | 106   | 376,969       | 28     | 30,478,289      | 11        | 6,478,937       |
| Foreign Dividends  | d/  | d/            | d/     | d/              | 0         | 0               |
| NY Net Operating Loss Deduction                          | 173   | 644,228,204   | 52     | 768,834,022     | 43        | 2,741,635,590   |
| Allowable NY Depreciation                                | 52  | 15,132,365    | 21     | 447,715,353     | 21        | 261,908,006     |
| Other Subtractions                                       | 42  | 2,754,281     | 13     | 28,146,813      | 26        | 3,448,008,746   |
| Entire Net Income  | 677   | (571,885,189) | 255    | 785,553,295     | 266       | (2,747,553,382) |
| Investment Income Before Allocation                      | 27  | 448,228       | 17     | 27,267,171      | 9         | 19,254,090      |
| Business Income Before Allocation                        | 669   | (572,333,404) | 251    | 758,286,123     | 264       | (2,766,807,472) |
| Allocated Investment Income                              | 19  | 215,627       | 11     | 123,948         | 6         | 1,401,264       |
| Allocated Business Income                                | 577   | (23,121,065)  | 218    | (33,672,052)    | 219       | 114,232,579     |
| Optional Depreciation Adjustment                         | 0   | 0             | 0      | 0               | 0         | 0               |
| Entire Net Income Base                                   | 672   | (22,358,534)  | 249    | (33,328,062)    | 265       | 114,689,431     |
| Tax on ENI Base  | 393   | 1,249,676     | 149    | 2,535,612       | 174       | 79,910,335      |
| Largest of 4 Bases (Tax Before Credit)                   | 715   | 1,618,324     | 266    | 2,834,647       | 278       | 83,307,614      |
| Subsidiary Capital Base                                  | 3   | 10,912,623    | 8      | 20,121,736      | 10        | 3,707,008,921   |
| Tax on Allocated Subsidiary Capital                      | 3   | 9,822         | 8      | 18,109          | 10        | 3,336,309       |
| Tax Credits: Total                                       | 225   | 492,704       | 38     | 1,015,566       | 15        | 2,148,864       |
| Tax Due  | 715   | 1,137,625     | 266    | 1,838,204       | 278       | 84,496,188      |
| Fixed Dollar Minimum Tax on Subsidiaries                 | 7   | 1,800         | 12     | 10,290          | 31        | 75,353          |
| Total Tax Liability                                      | 715   | 1,139,425     | 266    | 1,848,494       | 278       | 84,571,541      |

\*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\* (Cont'd)**

| Item   | Construction |                 | Manufacturing |                    | Wholesale Trade |                  |
|--|--------------|-----------------|---------------|--------------------|-----------------|------------------|
|  | Number       | Amount          | Number        | Amount             | Number          | Amount           |
| Federal Taxable Income Before NOL                        | 9,063        | \$985,184,422   | 10,755        | (\$10,564,534,265) | 14,152          | \$10,446,538,944 |
| Interest on Federal, State Obligations                   | 179          | 16,302,760      | 368           | 564,505,871        | 171             | 21,268,215       |
| Interest Paid to Stockholders                            | 89           | 18,469,074      | 256           | 2,513,486,017      | 253             | 309,288,224      |
| Deductions Directly Attributed to Subsidiary Capital     | 6            | 13,250,816      | 157           | 5,170,909,031      | 37              | 156,447,058      |
| Non-Interest Directly Attributed to Subsidiary Capital   | 5            | 6,979,775       | 135           | 1,922,228,361      | 26              | 89,664,750       |
| Deductions Indirectly Attributed to Subsidiary Capital   | 23           | 69,962,134      | 463           | 12,294,222,961     | 143             | 946,046,437      |
| Non-Interest Indirectly Attributed to Subsidiary Capital | 32           | 76,314,834      | 318           | 4,788,453,816      | 109             | 199,408,933      |
| NYS, Other State and Local Taxes Deduction               | 7,502        | 181,217,620     | 8,856         | 3,258,611,883      | 12,083          | 1,025,118,367    |
| ACRS/MACRS Deduction                                     | 237          | 183,849,436     | 1,323         | 36,140,581,786     | 527             | 10,845,941,724   |
| Other Additions  | 37           | 102,579,375     | 300           | 2,448,625,025      | 131             | 496,957,585      |
| Income from Subsidiary Capital                           | 30           | 517,385,130     | 631           | 53,794,662,854     | 176             | 7,579,202,482    |
| 50% of Dividends   | 391          | 6,901,010       | 801           | 1,248,036,857      | 621             | 63,352,926       |
| Foreign Dividends  | 7            | 194,517,953     | 334           | 3,836,308,354      | 54              | 279,574,217      |
| NY Net Operating Loss Deduction                          | 1,859        | 1,211,455,640   | 1,935         | 51,591,680,966     | 2,527           | 7,365,016,672    |
| Allowable NY Depreciation                                | 253          | 178,458,381     | 1,338         | 36,906,961,604     | 516             | 10,827,731,792   |
| Other Subtractions                                       | 236          | 879,940,701     | 654           | 5,153,691,727      | 431             | 615,723,796      |
| Entire Net Income  | 8,938        | (1,334,482,699) | 10,522        | (93,988,586,222)   | 13,890          | (2,193,630,779)  |
| Investment Income Before Allocation                      | 191          | 36,564,513      | 364           | 929,782,615        | 250             | 132,269,217      |
| Business Income Before Allocation                        | 8,917        | (1,371,047,206) | 10,481        | (94,918,368,829)   | 13,839          | (2,325,900,015)  |
| Allocated Investment Income                              | 115          | 753,653         | 182           | (15,617,062)       | 144             | 4,885,039        |
| Allocated Business Income                                | 6,030        | (23,502,224)    | 9,108         | (4,623,949,129)    | 9,986           | (215,112,019)    |
| Optional Depreciation Adjustment                         | d/           | d/              | 6             | 382,912            | 3               | (3,337)          |
| Entire Net Income Base                                   | 8,888        | 31,011,681      | 10,466        | (4,643,918,155)    | 13,816          | (179,016,869)    |
| Tax on ENI Base  | 7,042        | 38,713,079      | 5,990         | 234,796,191        | 9,841           | 104,628,994      |
| Largest of 4 Bases (Tax Before Credit)                   | 9,211        | 41,851,336      | 10,901        | 261,349,174        | 14,308          | 115,167,340      |
| Subsidiary Capital Base                                  | 53           | 142,975,888     | 438           | 3,142,725,642      | 216             | 662,680,043      |
| Tax on Allocated Subsidiary Capital                      | 51           | 128,679         | 425           | 2,828,880          | 209             | 596,410          |
| Tax Credits: Total                                       | 183          | 1,684,010       | 1,919         | 54,457,323         | 282             | 4,272,647        |
| Tax Due  | 9,211        | 40,318,298      | 10,901        | 209,733,473        | 14,308          | 111,528,344      |
| Fixed Dollar Minimum Tax on Subsidiaries                 | 76           | 111,215         | 530           | 993,664            | 324             | 467,763          |
| Total Tax Liability                                      | 9,211        | 40,429,513      | 10,901        | 210,727,137        | 14,308          | 111,996,107      |

\*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\* (Cont'd)**

| Item   | Retail Trade |                 | Transportation<br>and Warehousing |                   | Information |                  |
|--|--------------|-----------------|-----------------------------------|-------------------|-------------|------------------|
|  | Number       | Amount          | Number                            | Amount            | Number      | Amount           |
| Federal Taxable Income Before NOL                        | 13,029       | \$7,465,754,102 | 4,673                             | (\$7,511,894,476) | 3,791       | \$2,455,668,294  |
| Interest on Federal, State Obligations                   | 128          | 29,079,157      | 80                                | 19,692,406        | 82          | 464,857,768      |
| Interest Paid to Stockholders                            | 152          | 164,715,723     | 75                                | 223,976,966       | 52          | 389,276,172      |
| Deductions Directly Attributed to Subsidiary Capital     | 18           | 233,918,026     | 11                                | 363,186,809       | 21          | 337,391,349      |
| Non-Interest Directly Attributed to Subsidiary Capital   | 8            | 77,324,605      | d/                                | d/                | 17          | 119,729,142      |
| Deductions Indirectly Attributed to Subsidiary Capital   | 27           | 251,412,743     | 23                                | 305,430,890       | 61          | 1,506,761,253    |
| Non-Interest Indirectly Attributed to Subsidiary Capital | 29           | 269,015,762     | 21                                | 119,798,455       | 49          | 605,136,719      |
| NYS, Other State and Local Taxes Deduction               | 10,876       | 900,297,556     | 3,435                             | 229,682,723       | 2,925       | 783,995,315      |
| ACRS/MACRS Deduction                                     | 386          | 4,271,202,194   | 242                               | 3,891,600,021     | 166         | 5,528,467,089    |
| Other Additions  | 77           | 99,592,158      | 50                                | 214,893,870       | 73          | 2,155,548,247    |
| Income from Subsidiary Capital                           | 53           | 6,210,866,830   | 31                                | 2,011,391,619     | 85          | 15,720,531,671   |
| 50% of Dividends   | 391          | 124,078,266     | 163                               | 26,071,788        | 225         | 293,969,308      |
| Foreign Dividends  | 11           | 54,925,940      | 6                                 | 342,040,691       | 32          | 257,924,916      |
| NY Net Operating Loss Deduction                          | 2,647        | 4,335,648,943   | 805                               | 3,064,955,137     | 693         | 9,102,611,757    |
| Allowable NY Depreciation                                | 345          | 4,283,308,554   | 252                               | 4,034,367,747     | 172         | 5,741,528,974    |
| Other Subtractions                                       | 313          | 300,883,562     | 192                               | 294,379,518       | 177         | 3,718,151,388    |
| Entire Net Income  | 12,770       | (1,547,358,554) | 4,574                             | (11,920,035,867)  | 3,738       | (20,487,889,510) |
| Investment Income Before Allocation                      | 171          | (154,667,795)   | 102                               | 152,708,372       | 85          | 1,515,462,665    |
| Business Income Before Allocation                        | 12,737       | (1,392,690,762) | 4,560                             | (12,072,744,239)  | 3,721       | (22,003,352,176) |
| Allocated Investment Income                              | 106          | (666,610)       | 41                                | 10,160,462        | 52          | 55,527,683       |
| Allocated Business Income                                | 6,978        | (1,139,023,098) | 3,362                             | (479,342,577)     | 2,967       | (4,294,925,024)  |
| Optional Depreciation Adjustment                         | 3            | (199,758)       | 0                                 | 0                 | 0           | 0                |
| Entire Net Income Base                                   | 12,737       | (1,097,857,754) | 4,551                             | (468,347,751)     | 3,708       | (4,259,100,693)  |
| Tax on ENI Base  | 9,470        | 96,466,463      | 3,126                             | 24,383,806        | 1,927       | 77,140,175       |
| Largest of 4 Bases (Tax Before Credit)                   | 13,180       | 106,435,597     | 4,789                             | 27,709,745        | 3,899       | 89,225,217       |
| Subsidiary Capital Base                                  | 84           | 616,203,552     | 65                                | 108,090,497       | 113         | 1,750,487,720    |
| Tax on Allocated Subsidiary Capital                      | 82           | 555,355         | 57                                | 109,008           | 110         | 1,575,440        |
| Tax Credits: Total                                       | 167          | 4,996,738       | 39                                | 749,714           | 95          | 6,350,869        |
| Tax Due  | 13,180       | 102,011,899     | 4,789                             | 27,092,383        | 3,899       | 84,476,449       |
| Fixed Dollar Minimum Tax on Subsidiaries                 | 192          | 415,197         | 71                                | 58,263            | 254         | 863,175          |
| Total Tax Liability                                      | 13,180       | 102,427,096     | 4,789                             | 27,150,646        | 3,899       | 85,339,624       |

\*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\* (Cont'd)**

| Item   | Finance, Insurance, Real Estate,<br>Rental and Leasing |                  | Professional, Scientific &<br>Technical Services |                    | Management of Companies<br>& Enterprises |                  |
|--|--|------------------|--|--------------------|--|------------------|
|  | Number   | Amount           | Number   | Amount             | Number                                   | Amount           |
| Federal Taxable Income Before NOL                        | 28,665   | \$31,008,360,069 | 13,551   | (\$15,056,568,323) | 2,049                                    | \$15,774,821,390 |
| Interest on Federal, State Obligations                   | 988  | 3,788,743,937    | 278  | 149,092,647        | 158                                      | 380,986,307      |
| Interest Paid to Stockholders                            | 174  | 2,287,339,072    | 148  | 211,208,125        | 41                                       | 284,465,687      |
| Deductions Directly Attributed to Subsidiary Capital     | 35   | 868,635,950      | 31   | 300,583,868        | 62                                       | 2,668,552,872    |
| Non-Interest Directly Attributed to Subsidiary Capital   | 29   | 150,747,817      | 23   | 450,294,438        | 31                                       | 122,332,657      |
| Deductions Indirectly Attributed to Subsidiary Capital   | 100  | 2,237,457,598    | 79   | 428,681,143        | 114                                      | 5,028,146,623    |
| Non-Interest Indirectly Attributed to Subsidiary Capital | 124  | 380,181,033      | 90   | 446,543,924        | 124                                      | 1,346,793,549    |
| NYS, Other State and Local Taxes Deduction               | 24,866   | 1,220,965,387    | 10,636   | 655,754,487        | 1,587                                    | 831,726,773      |
| ACRS/MACRS Deduction                                     | 750  | 6,923,717,447    | 468  | 6,152,818,303      | 125                                      | 3,639,829,778    |
| Other Additions  | 558  | 2,670,212,025    | 182  | 563,559,601        | 85                                       | 549,710,405      |
| Income from Subsidiary Capital                           | 197  | 21,005,902,129   | 124  | 4,556,317,700      | 217                                      | 36,893,834,836   |
| 50% of Dividends   | 2,052  | 1,262,076,414    | 663  | 29,219,481         | 441                                      | 307,304,855      |
| Foreign Dividends  | 66   | 539,801,075      | 58   | 2,166,030,946      | 53                                       | 775,619,460      |
| NY Net Operating Loss Deduction                          | 5,477  | 12,758,523,941   | 2,453  | 9,596,532,965      | 372                                      | 13,633,333,086   |
| Allowable NY Depreciation                                | 816  | 7,701,901,392    | 459  | 6,096,203,893      | 124                                      | 3,709,808,290    |
| Other Subtractions                                       | 1,123  | 14,341,576,994   | 670  | 894,667,499        | 155                                      | 834,411,220      |
| Entire Net Income  | 29,013   | (6,073,397,867)  | 13,353   | (29,038,310,357)   | 1,975                                    | (25,526,951,186) |
| Investment Income Before Allocation                      | 2,267  | 10,105,670,793   | 249  | 331,886,026        | 247                                      | 746,849,960      |
| Business Income Before Allocation                        | 27,434   | (16,179,068,632) | 13,305   | (29,370,196,392)   | 1,839                                    | (26,273,801,146) |
| Allocated Investment Income                              | 932  | 338,019,296      | 140  | 5,597,198          | 196                                      | (68,676,529)     |
| Allocated Business Income                                | 16,786   | (2,987,029,130)  | 10,306   | (3,725,062,907)    | 1,656                                    | (3,070,418,054)  |
| Optional Depreciation Adjustment                         | 5  | 28,045           | 2  | (57,154)           | d/                                       | d/               |
| Entire Net Income Base                                   | 27,632   | (2,735,671,993)  | 13,245   | (3,738,012,524)    | 1,898                                    | (3,139,626,253)  |
| Tax on ENI Base  | 16,220   | 309,715,830      | 8,666  | 129,452,870        | 907                                      | 67,438,472       |
| Largest of 4 Bases (Tax Before Credit)                   | 30,730   | 348,701,226      | 13,813   | 144,919,778        | 2,158                                    | 84,062,627       |
| Subsidiary Capital Base                                  | 379  | 11,168,044,206   | 199  | 819,087,671        | 342                                      | 3,066,877,222    |
| Tax on Allocated Subsidiary Capital                      | 373  | 10,051,335       | 191  | 737,176            | 336                                      | 2,760,184        |
| Tax Credits: Total                                       | 271  | 21,192,778       | 197  | 50,108,061         | 83                                       | 12,042,530       |
| Tax Due  | 30,730   | 337,862,447      | 13,813   | 95,624,813         | 2,158                                    | 74,796,718       |
| Fixed Dollar Minimum Tax on Subsidiaries                 | 505  | 937,788          | 316  | 601,551            | 498                                      | 1,623,740        |
| Total Tax Liability                                      | 30,730   | 338,800,235      | 13,813   | 96,226,364         | 2,158                                    | 76,420,458       |

\*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\* (Cont'd)**

| Item   | Administrative & Support,<br>Waste Management & Remediation |                 | Educational Services |                 | Health Care and<br>Social Assistance |               |
|--|---|-----------------|----------------------|-----------------|--------------------------------------|---------------|
|  | Number  | Amount          | Number               | Amount          | Number                               | Amount        |
| Federal Taxable Income Before NOL                        | 3,540   | \$4,085,770,955 | 500                  | (\$124,535,279) | 3,331                                | \$253,188,144 |
| Interest on Federal, State Obligations                   | 38  | 35,076,683      | 7                    | 1,493,790       | 43                                   | 15,284,393    |
| Interest Paid to Stockholders                            | 41  | 34,355,445      | d/                   | d/              | 21                                   | 2,419,593     |
| Deductions Directly Attributed to Subsidiary Capital     | 3   | 508,130,870     | d/                   | d/              | d/                                   | d/            |
| Non-Interest Directly Attributed to Subsidiary Capital   | d/  | d/              | d/                   | d/              | 0                                    | 0             |
| Deductions Indirectly Attributed to Subsidiary Capital   | 12  | 27,283,181      | 3                    | 5,067,941       | 4                                    | 7,750,255     |
| Non-Interest Indirectly Attributed to Subsidiary Capital | 16  | 43,076,758      | 4                    | 134,229         | 5                                    | 1,339,953     |
| NYS, Other State and Local Taxes Deduction               | 2,653   | 201,765,344     | 391                  | 10,126,431      | 2,665                                | 76,205,005    |
| ACRS/MACRS Deduction                                     | 135   | 492,402,709     | 28                   | 131,866,688     | 66                                   | 194,451,553   |
| Other Additions  | 38  | (200,631,197)   | 8                    | 6,799,090       | 9                                    | 685,899       |
| Income from Subsidiary Capital                           | 26  | 3,266,729,098   | 5                    | 57,788,890      | 10                                   | 236,794,704   |
| 50% of Dividends   | 113   | 17,762,592      | 13                   | 100,326         | 119                                  | 444,108       |
| Foreign Dividends  | 14  | 17,044,241      | d/                   | d/              | 3                                    | 122,731       |
| NY Net Operating Loss Deduction                          | 690   | 1,660,943,173   | 87                   | 125,076,739     | 922                                  | 784,203,048   |
| Allowable NY Depreciation                                | 132   | 502,807,580     | 25                   | 135,744,966     | 58                                   | 190,243,949   |
| Other Subtractions                                       | 158   | 578,218,360     | 14                   | 8,348,203       | 111                                  | 29,688,845    |
| Entire Net Income  | 3,489   | (816,159,204)   | 492                  | (288,485,209)   | 3,313                                | (681,405,911) |
| Investment Income Before Allocation                      | 71  | 100,906,266     | 7                    | 9,204,036       | 38                                   | 2,233,767     |
| Business Income Before Allocation                        | 3,467   | (917,065,472)   | 490                  | (297,689,245)   | 3,302                                | (683,639,678) |
| Allocated Investment Income                              | 37  | 1,476,166       | 5                    | 30,880          | 25                                   | 477,770       |
| Allocated Business Income                                | 2,342   | (194,687,412)   | 339                  | (60,540,440)    | 2,067                                | (176,980,809) |
| Optional Depreciation Adjustment                         | d/  | d/              | 0                    | 0               | 0                                    | 0             |
| Entire Net Income Base                                   | 3,466   | (192,172,839)   | 490                  | (59,530,255)    | 3,304                                | (161,061,923) |
| Tax on ENI Base  | 2,517   | 21,104,487      | 354                  | 2,666,518       | 2,717                                | 11,636,629    |
| Largest of 4 Bases (Tax Before Credit)                   | 3,638   | 23,976,748      | 508                  | 3,123,500       | 3,428                                | 13,023,798    |
| Subsidiary Capital Base                                  | 47  | 222,563,911     | 4                    | 3,650,918       | 21                                   | 61,319,838    |
| Tax on Allocated Subsidiary Capital                      | 47  | 200,309         | 4                    | 3,286           | 20                                   | 55,188        |
| Tax Credits: Total                                       | 34  | 234,878         | d/                   | d/              | 62                                   | 142,463       |
| Tax Due  | 3,638   | 23,956,280      | 508                  | 3,033,658       | 3,428                                | 12,941,422    |
| Fixed Dollar Minimum Tax on Subsidiaries                 | 60  | 122,946         | 18                   | 29,429          | 52                                   | 103,004       |
| Total Tax Liability                                      | 3,638   | 24,079,226      | 508                  | 3,063,087       | 3,428                                | 13,044,426    |

\*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\* (Cont'd)**

| Item   | Arts, Entertainment,<br>and Recreation |                   | Accommodation and<br>Food Services |                 | Other Services (except<br>Public Administration) |                 |
|--|--|-------------------|------------------------------------|-----------------|--|-----------------|
|  | Number                                 | Amount            | Number                             | Amount          | Number   | Amount          |
| Federal Taxable Income Before NOL                        | 2,258                                  | (\$1,038,080,877) | 3,907                              | (\$375,928,673) | 5,483  | (\$631,598,576) |
| Interest on Federal, State Obligations                   | 57                                     | 3,402,791         | 17                                 | 942,115         | 48   | 19,587,824      |
| Interest Paid to Stockholders                            | 19                                     | 123,918           | 45                                 | 92,246,763      | 37   | 39,272,564      |
| Deductions Directly Attributed to Subsidiary Capital     | d/                                     | d/                | 4                                  | 60,507,841      | d/   | d/              |
| Non-Interest Directly Attributed to Subsidiary Capital   | d/                                     | d/                | d/                                 | d/              | d/   | d/              |
| Deductions Indirectly Attributed to Subsidiary Capital   | 4                                      | 423,691           | 16                                 | 274,384,466     | 8  | 9,166,191       |
| Non-Interest Indirectly Attributed to Subsidiary Capital | d/                                     | d/                | 17                                 | 119,087,669     | 9  | 14,998,377      |
| NYS, Other State and Local Taxes Deduction               | 1,894                                  | 48,802,463        | 3,151                              | 136,764,115     | 4,473  | 49,500,865      |
| ACRS/MACRS Deduction                                     | 54                                     | 210,055,389       | 117                                | 513,021,051     | 136  | 119,907,673     |
| Other Additions  | 36                                     | 44,608,299        | 32                                 | 92,933,358      | 23   | (44,645,057)    |
| Income from Subsidiary Capital                           | 9                                      | 94,235,076        | 20                                 | 799,037,467     | 5  | 15,975,216      |
| 50% of Dividends   | 168                                    | 2,477,061         | 88                                 | 2,085,081       | 134  | 2,533,613       |
| Foreign Dividends  | d/                                     | d/                | 4                                  | 8,599,047       | 4  | 5,919,080       |
| NY Net Operating Loss Deduction                          | 465                                    | 3,073,767,637     | 1,047                              | 970,085,135     | 1,107  | 815,616,270     |
| Allowable NY Depreciation                                | 55                                     | 213,978,248       | 108                                | 519,900,569     | 129  | 108,140,992     |
| Other Subtractions                                       | 212                                    | 26,001,494        | 194                                | 94,606,447      | 98   | 33,989,762      |
| Entire Net Income  | 2,256                                  | (4,052,594,150)   | 3,800                              | (1,478,442,266) | 5,436  | (1,403,557,648) |
| Investment Income Before Allocation                      | 39                                     | 11,084,277        | 38                                 | 2,020,741       | 67   | 27,593,572      |
| Business Income Before Allocation                        | 2,247                                  | (4,063,678,427)   | 3,793                              | (1,480,463,006) | 5,417  | (1,431,151,204) |
| Allocated Investment Income                              | 20                                     | 86,842            | 25                                 | 228,061         | 45   | 320,419         |
| Allocated Business Income                                | 1,657                                  | (349,615,055)     | 1,920                              | (266,602,578)   | 2,671  | (112,120,484)   |
| Optional Depreciation Adjustment                         | 0                                      | 0                 | d/                                 | d/              | 0  | 0               |
| Entire Net Income Base                                   | 2,246                                  | (348,860,550)     | 3,793                              | (251,275,179)   | 5,429  | (97,931,399)    |
| Tax on ENI Base  | 1,564                                  | 8,665,339         | 2,862                              | 10,734,481      | 4,209  | 11,937,354      |
| Largest of 4 Bases (Tax Before Credit)                   | 2,346                                  | 10,122,069        | 3,947                              | 13,599,955      | 5,589  | 13,641,282      |
| Subsidiary Capital Base                                  | 20                                     | 62,015,104        | 29                                 | 170,799,514     | 21   | 78,282,814      |
| Tax on Allocated Subsidiary Capital                      | 20                                     | 55,813            | 28                                 | 153,717         | 18   | 70,454          |
| Tax Credits: Total                                       | 22                                     | 43,567            | 47                                 | 118,801         | 48   | 72,197          |
| Tax Due  | 2,346                                  | 10,152,512        | 3,947                              | 13,639,609      | 5,589  | 13,649,454      |
| Fixed Dollar Minimum Tax on Subsidiaries                 | 47                                     | 109,476           | 42                                 | 165,963         | 44   | 58,443          |
| Total Tax Liability                                      | 2,346                                  | 10,261,988        | 3,947                              | 13,805,572      | 5,589  | 13,707,897      |

\*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\* (Cont'd)**

| Item   | Public Administration |          | Industry Code Not Given |        |
|--|-----------------------|----------|-------------------------|--------|
|  | Number                | Amount   | Number                  | Amount |
| Federal Taxable Income Before NOL                        | 9                     | \$40,447 | 0                       | \$0    |
| Interest on Federal, State Obligations                   | 0                     | 0        | 0                       | 0      |
| Interest Paid to Stockholders                            | 0                     | 0        | 0                       | 0      |
| Deductions Directly Attributed to Subsidiary Capital     | 0                     | 0        | 0                       | 0      |
| Non-Interest Directly Attributed to Subsidiary Capital   | 0                     | 0        | 0                       | 0      |
| Deductions Indirectly Attributed to Subsidiary Capital   | 0                     | 0        | 0                       | 0      |
| Non-Interest Indirectly Attributed to Subsidiary Capital | 0                     | 0        | 0                       | 0      |
| NYS, Other State and Local Taxes Deduction               | 5                     | 5,549    | 0                       | 0      |
| ACRS/MACRS Deduction                                     | 0                     | 0        | 0                       | 0      |
| Other Additions  | 0                     | 0        | 0                       | 0      |
| Income from Subsidiary Capital                           | 0                     | 0        | 0                       | 0      |
| 50% of Dividends   | 0                     | 0        | 0                       | 0      |
| Foreign Dividends  | 0                     | 0        | 0                       | 0      |
| NY Net Operating Loss Deduction                          | d/                    | d/       | 0                       | 0      |
| Allowable NY Depreciation                                | 0                     | 0        | 0                       | 0      |
| Other Subtractions                                       | d/                    | d/       | 0                       | 0      |
| Entire Net Income  | 9                     | (38,853) | 0                       | 0      |
| Investment Income Before Allocation                      | 0                     | 0        | 0                       | 0      |
| Business Income Before Allocation                        | 9                     | (38,853) | 0                       | 0      |
| Allocated Investment Income                              | 0                     | 0        | 0                       | 0      |
| Allocated Business Income                                | d/                    | d/       | 0                       | 0      |
| Optional Depreciation Adjustment                         | 0                     | 0        | 0                       | 0      |
| Entire Net Income Base                                   | 9                     | (38,853) | 0                       | 0      |
| Tax on ENI Base  | 7                     | 7,161    | 0                       | 0      |
| Largest of 4 Bases (Tax Before Credit)                   | 10                    | 7,937    | 0                       | 0      |
| Subsidiary Capital Base                                  | 0                     | 0        | 0                       | 0      |
| Tax on Allocated Subsidiary Capital                      | 0                     | 0        | 0                       | 0      |
| Tax Credits: Total                                       | 0                     | 0        | 0                       | 0      |
| Tax Due  | 10                    | 7,937    | 0                       | 0      |
| Fixed Dollar Minimum Tax on Subsidiaries                 | 0                     | 0        | 0                       | 0      |
| Total Tax Liability                                      | 10                    | 7,937    | 0                       | 0      |

\*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-3A  |                  | CT-4   |               |
|  | Number         | Amount            | Number | Amount           | Number | Amount        |
| Federal Taxable Income Before NOL                        | 80,218         | \$22,553,581,671  | 2,519  | \$15,915,967,565 | 37,248 | \$212,759,653 |
| Interest on Federal, State Obligations                   | 2,216          | 3,733,748,972     | 224    | 1,786,715,766    | 227    | 1,820,685     |
| Interest Paid to Stockholders                            | 1,067          | 3,710,615,464     | 70     | 2,954,262,310    | 285    | 1,749,090     |
| Deductions Directly Attributed to Subsidiary Capital     | 309            | 8,556,050,734     | 86     | 2,436,354,049    | 0      | 0             |
| Non-Interest Directly Attributed to Subsidiary Capital   | 202            | 1,745,259,587     | 80     | 1,210,163,128    | 0      | 0             |
| Deductions Indirectly Attributed to Subsidiary Capital   | 812            | 11,847,584,914    | 284    | 12,289,797,776   | 0      | 0             |
| Non-Interest Indirectly Attributed to Subsidiary Capital | 758            | 5,300,237,244     | 203    | 3,290,493,501    | 0      | 0             |
| NYS, Other State and Local Taxes Deduction               | 66,423         | 5,869,213,011     | 2,157  | 3,988,415,569    | 30,357 | 58,135,452    |
| ACRS/MACRS Deduction                                     | 3,890          | 34,301,763,754    | 400    | 45,784,556,515   | 557    | 9,488,206     |
| Other Additions  | 1,555          | 7,048,514,774     | 137    | 4,956,562,547    | 0      | 0             |
| Income from Subsidiary Capital                           | 1,258          | 87,785,358,793    | 387    | 65,816,310,403   | 0      | 0             |
| 50% of Dividends   | 6,102          | 1,416,995,219     | 426    | 2,006,752,662    | 0      | 0             |
| Foreign Dividends  | 474            | 2,780,075,268     | 179    | 5,721,278,970    | 0      | 0             |
| NY Net Operating Loss Deduction                          | 15,558         | 86,292,057,764    | 529    | 37,724,830,682   | 7,269  | 227,345,091   |
| Allowable NY Depreciation                                | 3,927          | 35,249,229,962    | 409    | 46,614,958,709   | 540    | 11,653,984    |
| Other Subtractions                                       | 4,193          | 18,941,146,183    | 323    | 12,342,102,790   | 304    | (59,385)      |
| Entire Net Income  | 79,547         | (127,795,528,240) | 2,425  | (75,614,698,004) | 36,794 | 45,014,686    |
| Investment Income Before Allocation                      | 3,956          | 7,487,171,884     | 283    | 6,509,366,630    | 0      | 0             |
| Business Income Before Allocation                        | 77,611         | (135,282,700,078) | 2,337  | (82,124,064,643) | 36,794 | 45,014,686    |
| Allocated Investment Income                              | 1,929          | 208,751,297       | 172    | 125,592,810      | 0      | 0             |
| Allocated Business Income                                | 76,887         | (13,898,050,037)  | 2,304  | (7,763,375,859)  | 0      | 0             |
| Optional Depreciation Adjustment                         | 21             | (43,625)          | 4      | 384,994          | 0      | 0             |
| Entire Net Income Base                                   | 77,725         | (13,689,255,125)  | 2,345  | (7,638,168,035)  | 36,794 | 45,014,686    |
| Tax on ENI Base  | 49,207         | 695,503,213       | 1,021  | 496,899,892      | 27,907 | 40,780,367    |
| Largest of 4 Bases (Tax Before Credit)                   | 83,124         | 792,665,497       | 2,564  | 543,390,509      | 38,026 | 48,621,908    |
| Subsidiary Capital Base                                  | 1,699          | 18,056,618,099    | 353    | 7,757,229,721    | 0      | 0             |
| Tax on Allocated Subsidiary Capital                      | 1,649          | 16,263,535        | 343    | 6,981,939        | 0      | 0             |
| Tax Credits: Total                                       | 3,370          | 49,253,684        | 359    | 110,965,033      | 0      | 0             |
| Tax Due  | 83,124         | 760,266,567       | 2,564  | 439,409,238      | 38,026 | 48,621,908    |
| Fixed Dollar Minimum Tax on Subsidiaries                 | 0              | 0                 | 3,079  | 6,749,060        | 0      | 0             |
| Total Tax Liability                                      | 83,124         | 760,266,567       | 2,564  | 446,158,298      | 38,026 | 48,621,908    |

\*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 |                   |              |                  |          |                 |
|--|--------------------|-------------------|--------------|------------------|----------|-----------------|
|  | December 2001      |                   | January 2002 |                  | February |                 |
|  | Number             | Amount            | Number       | Amount           | Number   | Amount          |
| Federal Taxable Income Before NOL                        | 67,664             | \$18,922,326,876  | 3,155        | \$10,434,022,527 | 3,608    | \$1,400,938,745 |
| Interest on Federal, State Obligations                   | 1,538              | 2,537,225,570     | 88           | 19,871,648       | 76       | 244,645,607     |
| Interest Paid to Stockholders                            | 863                | 5,571,497,272     | 29           | 67,430,484       | 37       | 37,848,467      |
| Deductions Directly Attributed to Subsidiary Capital     | 289                | 9,195,767,023     | 12           | 272,091,630      | 6        | 9,700,211       |
| Non-Interest Directly Attributed to Subsidiary Capital   | 197                | 2,094,819,539     | 8            | 49,537,749       | 5        | 41,641,766      |
| Deductions Indirectly Attributed to Subsidiary Capital   | 777                | 20,061,813,553    | 28           | 335,788,321      | 29       | 169,805,310     |
| Non-Interest Indirectly Attributed to Subsidiary Capital | 663                | 7,146,582,626     | 26           | 51,054,435       | 30       | 244,017,881     |
| NYS, Other State and Local Taxes Deduction               | 54,350             | 6,999,110,518     | 2,629        | 625,748,435      | 3,015    | 128,686,319     |
| ACRS/MACRS Deduction                                     | 3,075              | 58,098,274,145    | 112          | 2,186,798,227    | 115      | 1,570,599,508   |
| Other Additions  | 1,025              | 6,829,091,805     | 31           | 249,770,575      | 28       | (318,525,791)   |
| Income from Subsidiary Capital                           | 1,094              | 126,959,858,078   | 50           | 4,066,213,431    | 36       | 1,841,328,117   |
| 50% of Dividends   | 3,870              | 2,962,050,922     | 178          | 31,734,089       | 152      | 1,733,000       |
| Foreign Dividends  | 424                | 7,028,639,849     | 13           | 54,201,638       | 8        | 40,536,448      |
| NY Net Operating Loss Deduction                          | 12,411             | 97,797,640,889    | 653          | 1,471,654,011    | 722      | 1,434,440,018   |
| Allowable NY Depreciation                                | 3,062              | 59,069,407,657    | 103          | 2,168,621,466    | 119      | 1,590,604,643   |
| Other Subtractions                                       | 2,753              | 19,959,353,364    | 145          | 446,495,285      | 141      | 494,656,129     |
| Entire Net Income  | 66,903             | (176,317,606,226) | 3,109        | 6,053,312,983    | 3,547    | (1,873,946,177) |
| Investment Income Before Allocation                      | 2,339              | 10,732,112,220    | 107          | 46,782,906       | 84       | (26,651,462)    |
| Business Income Before Allocation                        | 65,930             | (187,049,718,395) | 3,056        | 6,006,530,085    | 3,516    | (1,847,294,714) |
| Allocated Investment Income                              | 1,205              | 245,907,165       | 56           | 1,136,233        | 57       | 251,273         |
| Allocated Business Income                                | 47,537             | (18,266,509,029)  | 1,921        | (131,832,336)    | 2,035    | (464,502,287)   |
| Optional Depreciation Adjustment                         | 18                 | 309,416           | 0            | 0                | 0        | 0               |
| Entire Net Income Base                                   | 65,921             | (18,084,734,887)  | 3,072        | (129,498,921)    | 3,530    | (455,013,845)   |
| Tax on ENI Base  | 42,149             | 869,832,375       | 2,085        | 48,516,452       | 2,564    | 20,133,788      |
| Largest of 4 Bases (Tax Before Credit)                   | 69,766             | 977,958,033       | 3,238        | 52,756,566       | 3,684    | 24,557,141      |
| Subsidiary Capital Base                                  | 1,286              | 19,091,108,342    | 61           | 164,473,904      | 63       | 349,849,591     |
| Tax on Allocated Subsidiary Capital                      | 1,250              | 17,193,975        | 60           | 148,024          | 59       | 314,859         |
| Tax Credits: Total                                       | 1,892              | 124,313,185       | 104          | 3,026,042        | 126      | 1,593,151       |
| Tax Due  | 69,766             | 871,215,542       | 3,238        | 49,889,717       | 3,684    | 23,286,662      |
| Fixed Dollar Minimum Tax on Subsidiaries                 | 1,998              | 4,490,826         | 105          | 168,072          | 69       | 178,552         |
| Total Tax Liability                                      | 69,766             | 875,706,368       | 3,238        | 50,057,789       | 3,684    | 23,465,214      |

\*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\* (Cont'd)**

| Item   | Fiscal Year Ending |                 |        |                 |        |                 |
|--|--------------------|-----------------|--------|-----------------|--------|-----------------|
|  | March              |                 | April  |                 | May    |                 |
|  | Number             | Amount          | Number | Amount          | Number | Amount          |
| Federal Taxable Income Before NOL                        | 7,225              | \$738,491,035   | 3,763  | \$3,525,375,225 | 3,925  | \$2,191,678,779 |
| Interest on Federal, State Obligations                   | 179                | 1,010,262,469   | 78     | 104,057,408     | 79     | 148,854,414     |
| Interest Paid to Stockholders                            | 102                | 318,048,736     | 36     | 5,291,103       | 44     | 74,005,957      |
| Deductions Directly Attributed to Subsidiary Capital     | 17                 | 154,511,587     | 4      | 15,816,025      | 6      | 362,605,381     |
| Non-Interest Directly Attributed to Subsidiary Capital   | 13                 | 181,140,207     | d/     | d/              | 6      | 10,043,176      |
| Deductions Indirectly Attributed to Subsidiary Capital   | 71                 | 331,784,327     | 14     | 55,142,191      | 22     | 559,514,318     |
| Non-Interest Indirectly Attributed to Subsidiary Capital | 74                 | 325,022,241     | 11     | 3,860,113       | 18     | 80,147,470      |
| NYS, Other State and Local Taxes Deduction               | 6,235              | 521,149,944     | 3,121  | 99,430,169      | 3,341  | 180,886,481     |
| ACRS/MACRS Deduction                                     | 346                | 7,163,820,684   | 94     | 140,597,704     | 119    | 1,096,408,492   |
| Other Additions  | 140                | 3,018,456,226   | 45     | 32,769,657      | 63     | 87,825,084      |
| Income from Subsidiary Capital                           | 111                | 2,159,901,064   | 29     | 1,429,150,772   | 39     | 3,092,814,641   |
| 50% of Dividends   | 407                | 208,372,618     | 151    | 5,565,175       | 207    | 16,932,317      |
| Foreign Dividends  | 41                 | 195,360,107     | 17     | 50,347,712      | 19     | 265,822,369     |
| NY Net Operating Loss Deduction                          | 1,439              | 3,226,807,113   | 796    | 1,620,981,560   | 863    | 998,482,912     |
| Allowable NY Depreciation                                | 343                | 7,235,580,781   | 99     | 792,738,715     | 117    | 1,173,939,208   |
| Other Subtractions                                       | 289                | 2,051,657,398   | 105    | 225,423,232     | 125    | 1,236,011,281   |
| Entire Net Income  | 7,193              | (1,314,990,975) | 3,717  | (140,911,079)   | 3,873  | (1,992,504,847) |
| Investment Income Before Allocation                      | 283                | 27,103,011      | 117    | 13,018,333      | 121    | 102,874,300     |
| Business Income Before Allocation                        | 7,035              | (1,342,093,971) | 3,663  | (153,929,413)   | 3,811  | (2,095,379,158) |
| Allocated Investment Income                              | 125                | 3,814,613       | 52     | 482,407         | 70     | 1,582,316       |
| Allocated Business Income                                | 4,836              | (424,219,160)   | 2,080  | (13,754,242)    | 2,172  | (81,101,078)    |
| Optional Depreciation Adjustment                         | d/                 | d/              | d/     | d/              | 0      | 0               |
| Entire Net Income Base                                   | 7,051              | (407,135,449)   | 3,660  | 1,364,299       | 3,825  | (64,788,142)    |
| Tax on ENI Base  | 4,781              | 65,494,462      | 2,693  | 15,536,705      | 2,829  | 21,879,515      |
| Largest of 4 Bases (Tax Before Credit)                   | 7,458              | 72,592,477      | 3,865  | 17,552,053      | 4,024  | 24,511,556      |
| Subsidiary Capital Base                                  | 137                | 3,193,671,633   | 49     | 176,325,822     | 52     | 187,263,372     |
| Tax on Allocated Subsidiary Capital                      | 133                | 2,874,400       | 44     | 158,863         | 52     | 168,536         |
| Tax Credits: Total                                       | 298                | 3,307,778       | 116    | 1,438,598       | 103    | 1,442,101       |
| Tax Due  | 7,458              | 72,194,486      | 3,865  | 16,284,956      | 4,024  | 23,248,533      |
| Fixed Dollar Minimum Tax on Subsidiaries                 | 190                | 338,429         | 60     | 82,397          | 59     | 133,712         |
| Total Tax Liability                                      | 7,458              | 72,532,915      | 3,865  | 16,367,353      | 4,024  | 23,382,245      |

\*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\* (Cont'd)**

| Item   | Fiscal Year Ending |                  |        |                   |        |                 |
|--|--------------------|------------------|--------|-------------------|--------|-----------------|
|  | June               |                  | July   |                   | August |                 |
|  | Number             | Amount           | Number | Amount            | Number | Amount          |
| Federal Taxable Income Before NOL                        | 8,526              | \$12,486,572,359 | 3,437  | (\$3,579,540,718) | 3,646  | \$1,196,846,014 |
| Interest on Federal, State Obligations                   | 164                | 289,434,506      | 52     | 66,802,592        | 83     | 442,628,264     |
| Interest Paid to Stockholders                            | 90                 | 36,876,753       | 27     | 65,576,044        | 30     | 18,534,634      |
| Deductions Directly Attributed to Subsidiary Capital     | 15                 | 242,630,341      | 4      | 37,070,789        | 5      | 58,864,580      |
| Non-Interest Directly Attributed to Subsidiary Capital   | 21                 | 28,506,710       | 5      | 16,404,548        | 0      | 0               |
| Deductions Indirectly Attributed to Subsidiary Capital   | 52                 | 563,093,705      | 9      | 13,534,346        | 15     | 273,765,202     |
| Non-Interest Indirectly Attributed to Subsidiary Capital | 57                 | 217,876,816      | 10     | 51,633,063        | 7      | 70,093,614      |
| NYS, Other State and Local Taxes Deduction               | 7,263              | 497,192,035      | 2,892  | 82,256,183        | 3,156  | 87,776,961      |
| ACRS/MACRS Deduction                                     | 299                | 1,318,708,149    | 86     | 930,913,220       | 85     | 1,165,768,063   |
| Other Additions  | 101                | 1,288,158,242    | 17     | 242,239,219       | 50     | 144,644,955     |
| Income from Subsidiary Capital                           | 95                 | 5,422,349,862    | 18     | 337,094,854       | 18     | 892,530,668     |
| 50% of Dividends   | 506                | 30,751,927       | 155    | 1,628,183         | 146    | 9,072,955       |
| Foreign Dividends  | 36                 | 222,442,668      | 3      | 21,214,759        | 5      | 50,387,403      |
| NY Net Operating Loss Deduction                          | 1,728              | 5,899,249,988    | 710    | 860,773,312       | 815    | 1,770,014,365   |
| Allowable NY Depreciation                                | 318                | 1,301,961,990    | 90     | 915,489,314       | 91     | 1,024,691,080   |
| Other Subtractions                                       | 377                | 3,969,915,256    | 95     | 279,889,049       | 152    | 1,461,849,636   |
| Entire Net Income  | 8,370              | 122,415,890      | 3,389  | (4,489,201,331)   | 3,644  | (1,749,628,355) |
| Investment Income Before Allocation                      | 246                | 1,466,632,369    | 69     | (28,260,459)      | 180    | (103,019,882)   |
| Business Income Before Allocation                        | 8,289              | (1,344,216,494)  | 3,355  | (4,460,940,872)   | 3,516  | (1,646,608,476) |
| Allocated Investment Income                              | 132                | 56,276,432       | 34     | (40,640,345)      | 63     | 1,604,555       |
| Allocated Business Income                                | 5,583              | (510,323,072)    | 1,863  | (287,061,282)     | 2,085  | (24,660,236)    |
| Optional Depreciation Adjustment                         | d/                 | d/               | d/     | d/                | 0      | 0               |
| Entire Net Income Base                                   | 8,289              | (445,632,157)    | 3,358  | (328,270,116)     | 3,534  | (16,926,963)    |
| Tax on ENI Base  | 5,700              | 60,275,646       | 2,398  | 9,343,517         | 2,551  | 15,132,132      |
| Largest of 4 Bases (Tax Before Credit)                   | 8,722              | 68,950,100       | 3,511  | 11,084,105        | 3,815  | 16,686,935      |
| Subsidiary Capital Base                                  | 127                | 1,039,952,645    | 31     | 188,286,539       | 36     | 92,718,364      |
| Tax on Allocated Subsidiary Capital                      | 125                | 935,960          | 30     | 169,460           | 34     | 83,448          |
| Tax Credits: Total                                       | 352                | 3,940,142        | 82     | 1,090,961         | 121    | 928,999         |
| Tax Due  | 8,722              | 65,970,305       | 3,511  | 10,170,769        | 3,815  | 15,864,037      |
| Fixed Dollar Minimum Tax on Subsidiaries                 | 213                | 448,759          | 39     | 61,034            | 52     | 49,027          |
| Total Tax Liability                                      | 8,722              | 66,419,064       | 3,511  | 10,231,803        | 3,815  | 15,913,064      |

\*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\* (Cont'd)**

| Item   | Fiscal Year Ending |                   |         |                   |          |                 |
|--|--------------------|-------------------|---------|-------------------|----------|-----------------|
|  | September          |                   | October |                   | November |                 |
|  | Number             | Amount            | Number  | Amount            | Number   | Amount          |
| Federal Taxable Income Before NOL                        | 7,774              | (\$7,410,186,728) | 4,148   | (\$4,707,169,292) | 3,114    | \$3,482,954,067 |
| Interest on Federal, State Obligations                   | 178                | 269,000,458       | 101     | 169,406,308       | 51       | 220,096,179     |
| Interest Paid to Stockholders                            | 102                | 122,394,797       | 34      | 96,091,597        | 28       | 253,031,020     |
| Deductions Directly Attributed to Subsidiary Capital     | 24                 | 485,248,872       | 7       | 122,977,403       | 6        | 35,120,941      |
| Non-Interest Directly Attributed to Subsidiary Capital   | 16                 | 487,954,118       | 6       | 8,806,657         | 4        | 34,321,602      |
| Deductions Indirectly Attributed to Subsidiary Capital   | 56                 | 772,048,882       | 11      | 69,251,561        | 12       | 931,840,974     |
| Non-Interest Indirectly Attributed to Subsidiary Capital | 45                 | 195,368,357       | 12      | 196,645,223       | 8        | 8,428,906       |
| NYS, Other State and Local Taxes Deduction               | 6,549              | 456,623,405       | 3,703   | 64,248,794        | 2,683    | 172,654,788     |
| ACRS/MACRS Deduction                                     | 292                | 4,888,408,492     | 141     | 1,196,970,889     | 83       | 338,540,902     |
| Other Additions  | 80                 | 349,494,651       | 81      | 27,116,716        | 31       | 54,035,982      |
| Income from Subsidiary Capital                           | 102                | 4,318,109,231     | 24      | 494,863,132       | 29       | 2,587,455,346   |
| 50% of Dividends   | 398                | 24,326,815        | 207     | 5,968,166         | 151      | 125,611,714     |
| Foreign Dividends  | 56                 | 233,511,011       | 16      | 125,496,046       | 15       | 213,394,228     |
| NY Net Operating Loss Deduction                          | 1,686              | 5,223,998,035     | 860     | 2,592,246,058     | 673      | 1,347,945,276   |
| Allowable NY Depreciation                                | 303                | 5,053,716,448     | 143     | 1,205,040,180     | 88       | 344,051,173     |
| Other Subtractions                                       | 317                | 461,823,748       | 203     | 541,755,857       | 118      | 154,359,353     |
| Entire Net Income  | 7,659              | (14,699,331,200)  | 4,266   | (7,721,025,942)   | 3,096    | 758,205,701     |
| Investment Income Before Allocation                      | 263                | 97,490,697        | 334     | 1,095,807         | 96       | 1,667,360,674   |
| Business Income Before Allocation                        | 7,536              | (14,796,821,897)  | 3,999   | (7,722,121,749)   | 3,036    | (909,154,981)   |
| Allocated Investment Income                              | 141                | 5,911,138         | 120     | (14,216,100)      | 46       | 72,234,420      |
| Allocated Business Income                                | 4,938              | (1,020,496,290)   | 2,417   | (247,466,308)     | 1,724    | (189,500,576)   |
| Optional Depreciation Adjustment                         | 0                  | 0                 | d/      | d/                | 0        | 0               |
| Entire Net Income Base                                   | 7,543              | (998,306,200)     | 4,035   | (253,979,908)     | 3,046    | (99,486,185)    |
| Tax on ENI Base  | 5,265              | 49,460,455        | 2,891   | 17,604,063        | 2,229    | 39,974,362      |
| Largest of 4 Bases (Tax Before Credit)                   | 7,970              | 55,748,807        | 4,439   | 20,508,400        | 3,222    | 41,771,741      |
| Subsidiary Capital Base                                  | 128                | 1,097,761,520     | 43      | 122,867,199       | 39       | 109,568,889     |
| Tax on Allocated Subsidiary Capital                      | 126                | 988,048           | 41      | 110,581           | 38       | 99,320          |
| Tax Credits: Total                                       | 308                | 4,358,015         | 136     | 1,807,168         | 91       | 12,972,577      |
| Tax Due  | 7,970              | 52,409,035        | 4,439   | 18,850,871        | 3,222    | 28,912,800      |
| Fixed Dollar Minimum Tax on Subsidiaries                 | 165                | 418,026           | 79      | 176,276           | 50       | 203,950         |
| Total Tax Liability                                      | 7,970              | 52,827,061        | 4,439   | 19,027,147        | 3,222    | 29,116,750      |

\*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 2001

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* tax on businesses importing natural gas for their own consumption.

This report presents data for the five major sections of Article 9. These sections represented the greatest number of taxpayers and tax liability in 2001.

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**Significant Tax Law  
Changes: 2000 and  
2001**

*2000*

- The rate of tax under Section 186-e falls from 3.25 percent to 2.5 percent for tax years beginning on or after January 1, 2000.
- The rate of tax under Section 186-a is reduced for tax years beginning on or after January 1, 2000 as follows:
  - Gross income-receipts from transportation and distribution: rate is reduced from 3.25 percent to 2.5 percent;
  - Gross income-receipts from commodities charges: rate is reduced from 3.25 percent to 2.1 percent; and
  - Gross operating income: rate is reduced from 3.25 percent to 2.1 percent.
- The Section 186 franchise tax is repealed for tax years beginning on or after January 1, 2000. Most taxpayers previously subject to this tax are now subject to tax under Article 9-A. Certain taxpayers can elect to remain subject to tax under Section 186 until their existing contracts expire.

*2001*

- The rate of tax under Section 186-a is reduced for tax years beginning on or after January 1, 2001 as follows:
  - Gross income-receipts from transportation and distribution: rate is reduced from 2.5 percent to 2.45 percent;
  - Gross income-receipts from commodities charges: rate is reduced from 2.1 percent to 2 percent; and
  - Gross operating income: rate is reduced from 2.1 percent to 2 percent.

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**Statistical Summary:  
Comparison of 2000  
Versus 2001**

The corporation and utilities tax represented almost 29 percent of total New York State corporate tax liability in 2001. The number of Article 9 taxpayers totaled 5,482 in 2001, representing a total tax liability of \$969.8 million.

Table 21 summarizes information from taxable returns filed by Article 9 corporations in 2000 and 2001. The number of taxpayers declined by 236 from 2000 to 2001, and total tax liability declined by approximately \$15 million over this period.

**Table 21: Article 9 Number of Taxpayers and Tax Liability – 2000 and 2001**

| Article 9                 | Tax Year      |               |
|---------------------------|---------------|---------------|
|                           | 2000          | 2001          |
| Total Number of Taxpayers | 5,718         | 5,482         |
| Total Tax Liability*      | \$984,523,238 | \$969,812,331 |

\* Data has been revised from prior report due to revisions in data sources.

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

Table 22 and Figure 6 compare the number and share of taxpayers for tax years 2000 and 2001. The number of taxpayers declined overall from year to year, with all sections except 186-e experiencing a decrease.

The number of taxpayers under Section 186 continues to decline rapidly. This is due to the repeal of this section for tax years after 1999. The other sections of Article 9 did not experience dramatic changes from 2000 to 2001.

**Table 22: Total Article 9 Taxpayers by Section – 2000 and 2001**

| Article 9 Tax Law Sections | Total Number of Taxpayers 2000 | Total Number of Taxpayers 2001 |
|----------------------------|--------------------------------|--------------------------------|
| Section 183                | 2,148                          | 2,037                          |
| Section 184                | 1,936                          | 1,830                          |
| Section 186                | 92                             | 32                             |
| Section 186-a              | 351                            | 346                            |
| Section 186-e              | 1,191                          | 1,237                          |
| <b>Total</b>               | <b>5,718</b>                   | <b>5,482</b>                   |

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

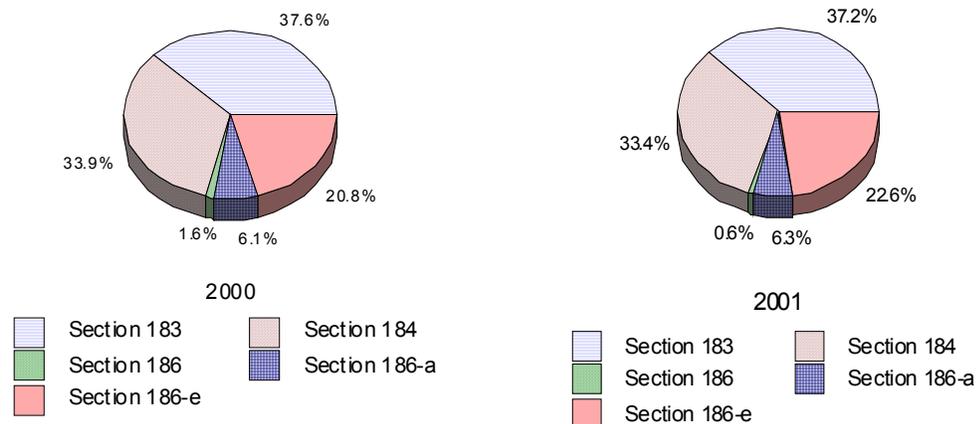


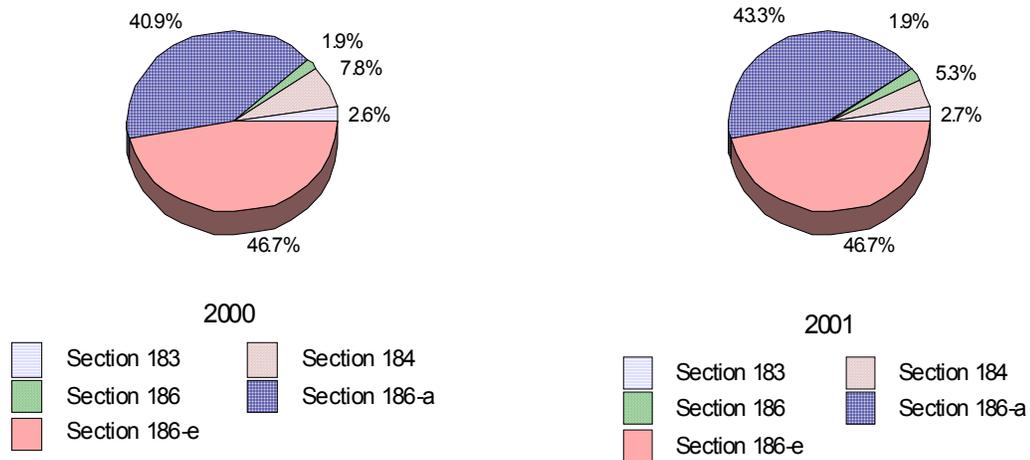
Table 23 and Figure 7 compare tax liability and share of liability for 2000 and 2001. Tax liability grew for Section 183 and for Section 186-a. Other sections experienced declines in liability. The largest decline was for Section 184. The relative share of the tax represented by each section remained fairly constant from 2000 to 2001.

**Table 23: Total Article 9 Tax Liability by Section – 2000 and 2001**

| Article 9 Tax Law Sections | Total Tax Liability 2000 | Total Tax Liability 2001 |
|----------------------------|--------------------------|--------------------------|
| Section 183                | \$25,590,890             | \$26,269,753             |
| Section 184                | 76,800,510               | 51,844,010               |
| Section 186                | 19,081,181               | 18,644,471               |
| Section 186-a*             | 402,944,655              | 419,964,477              |
| Section 186-e*             | 460,106,002              | 453,089,620              |
| <b>Total</b>               | <b>\$984,523,238</b>     | <b>\$969,812,331</b>     |

\* Tax liability data has been revised from prior report due to revisions in data sources.

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



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# Article 32: Franchise Tax on Banking Corporations

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## Tax Structure: Tax Law as of 2001

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:

- 8.5 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 the payroll factor is single-weighted.

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

### Significant Tax Law Changes: 2000 and 2001

*2000*

- The tax rate on entire net income was reduced from 9 percent to 8.5 percent for taxable years beginning after June 30, 2000.

*2001*

- The tax rate on entire net income was reduced from 8.5 percent to 8 percent for taxable years beginning after June 30, 2001.

### Statistical Summary: Comparison of 2000 Versus 2001

This section summarizes tax liability data for tax years 2000 and 2001. Tables 24 through 26 reflect summary data for four separate categories of banks and total amounts for all banks. The four categories are foreign banks, clearinghouse banks, commercial banks, and savings institutions. However, to protect taxpayer confidentiality, the clearinghouse and commercial bank categories were grouped together. Thus, each table provides statistics profiling three groups of taxpayers for the tax years 2000 and 2001.

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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 2000 and 2001, the total number of banks decreased from 826 to 791. The clearinghouse/commercial bank category was the largest group of Article 32 taxpayers during this period. The number of banks classified as foreign banks decreased from 246 in 2000 to 232 in 2001. The number of clearinghouse/commercial banks also decreased during this period, from 481 to 472. The number of savings institutions decreased from 99 in 2000 to 87 in 2001.

*Total Tax Liability*

Total tax liability for Article 32 increased by more than \$3 million, from \$457.8 million in 2000 to \$461.2 million in 2001. The relative share of total liability represented by the three categories of banks remained nearly the same from 2000 to 2001. The largest change was for savings institutions, which saw their relative share decline by less than 3 percent. In contrast, the 2000 report showed noticeable shifts in the relative shares of the tax from 1999 to 2000.

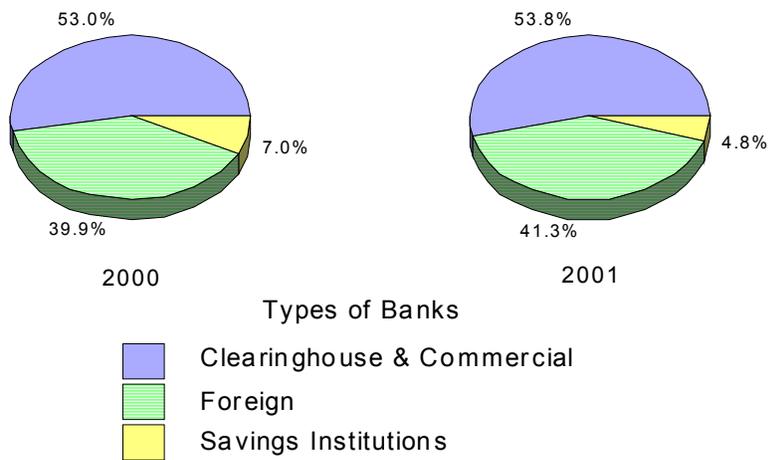
**Table 24: Number and Total Tax Liability of Article 32 Taxpayers - 2000 and 2001**

| Tax Year | Type of Bank               | Number of Taxpayers | Total Tax Liability  | Share of Bank Tax (%) |
|----------|----------------------------|---------------------|----------------------|-----------------------|
| 2000     | Clearinghouse & Commercial | 481                 | \$242,691,777        | 53.0                  |
|          | Foreign                    | 246                 | 182,866,429          | 39.9                  |
|          | Savings Institutions       | 99                  | 32,267,212           | 7.0                   |
|          | <b>Total</b>               | <b>826</b>          | <b>\$457,825,418</b> | <b>100.0</b>          |
| 2001     | Clearinghouse & Commercial | 472                 | \$248,321,358        | 53.9                  |
|          | Foreign                    | 232                 | 190,674,086          | 41.4                  |
|          | Savings Institutions       | 87                  | 22,178,927           | 4.8                   |
|          | <b>Total</b>               | <b>791</b>          | <b>\$461,174,371</b> | <b>100.0</b>          |

*Shares of Total Tax*

Figure 8 shows the distribution of bank tax liability by type of bank in 2000 and 2001. The portion of bank tax liability represented by each reported category remained relatively the same over these two years.

**Figure 8: Distribution of Article 32 Tax Liability by Bank Type – 2000 and 2001**



**Distribution of Tax Liability by Basis of Tax**

Table 25 includes statistics regarding the distribution of tax liability by basis 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.

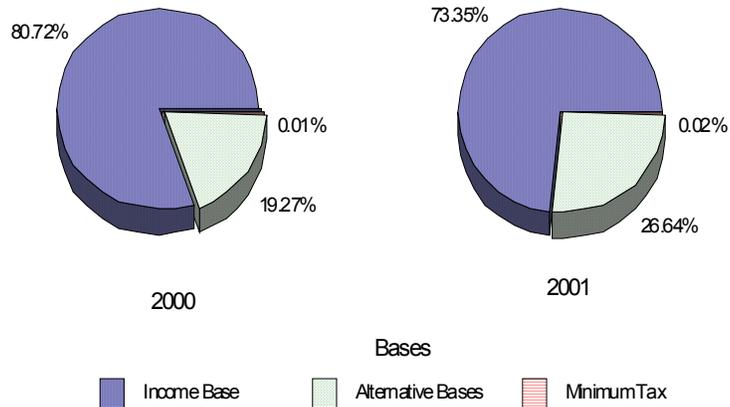
*Basis of Tax*

Table 25 and Figure 9 show the distribution of Article 32 tax liability by type of bank and basis of tax in 2000 and 2001. During these two years, the portion of total tax liability attributable to the income base decreased from 80.7 percent to 73.4 percent. In contrast, the portion of total tax liability attributable to the alternative bases increased from 19.3 percent to 26.7 percent. The proportion of minimum tax filer liability remained virtually unchanged between 2000 and 2001.

**Table 25: Distribution of Article 32 Tax Liability by Basis of Tax - 2000 and 2001**

| Tax Year | Type of Bank               | Income Base         |                      | Alternative Bases   |                      | Minimum Tax         |                 |
|----------|----------------------------|---------------------|----------------------|---------------------|----------------------|---------------------|-----------------|
|          |                            | Number of Taxpayers | Liability            | Number of Taxpayers | Liability            | Number of Taxpayers | Liability       |
| 2000     | Clearinghouse & Commercial | 244                 | \$194,009,872        | 107                 | \$48,635,605         | 130                 | \$46,300        |
|          | Foreign                    | 99                  | 149,761,036          | 114                 | 33,095,643           | 33                  | 9,750           |
|          | Savings Institutions       | 58                  | 25,786,663           | 17                  | 6,470,799            | 24                  | 9,750           |
|          | <b>Total</b>               | <b>401</b>          | <b>\$369,557,571</b> | <b>238</b>          | <b>\$88,202,047</b>  | <b>187</b>          | <b>\$65,800</b> |
| 2001     | Clearinghouse & Commercial | 237                 | \$173,951,655        | 108                 | \$74,319,953         | 127                 | \$49,750        |
|          | Foreign                    | 73                  | 147,721,896          | 123                 | 42,943,190           | 36                  | 9,000           |
|          | Savings Institutions       | 45                  | 16,583,009           | 15                  | 5,584,418            | 27                  | 11,500          |
|          | <b>Total</b>               | <b>355</b>          | <b>\$338,256,560</b> | <b>246</b>          | <b>\$122,847,561</b> | <b>190</b>          | <b>\$70,250</b> |

**Figure 9: Distribution of Article 32 Tax Liability by Basis of Tax – 2000 and 2001**



**Allocated Entire Net Income**

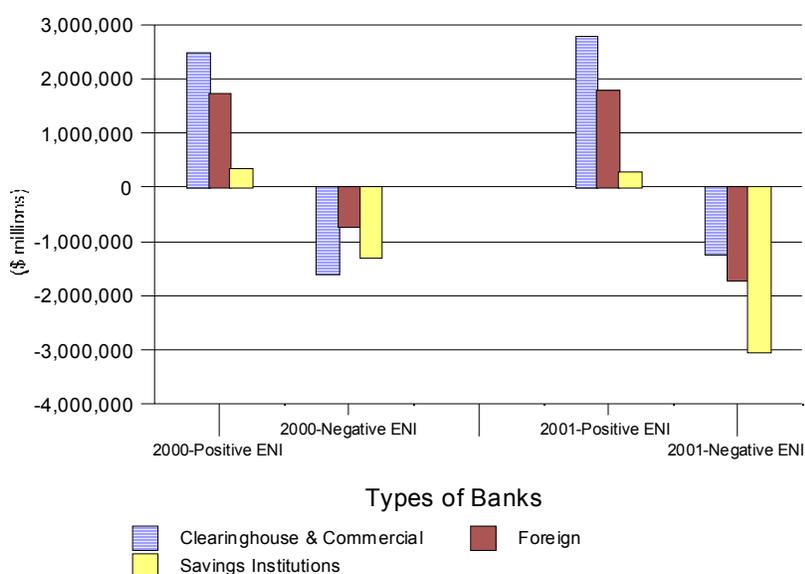
Table 26 provides data regarding the number of taxpayers with positive and negative allocated entire net income and the amount of total positive and negative allocated entire net income. These statistics indicate the number and types of banks that reported income or losses and the amount of the income and losses during the 2000 and 2001 tax years. The number of banks reporting positive allocated entire net income decreased from 573 to 512, while the number of banks reporting negative allocated entire net income increased from 253 to 279.

**Table 26: Allocated Entire Net Income Under Article 32 - 2000 and 2001**

| 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) |
| 2000     | Clearinghouse & Commercial | 347                    | \$2,476,481        | \$7,137             | 134                    | (\$1,576,960)        | (\$11,768)          |
|          | Foreign                    | 145                    | 1,734,907          | 11,965              | 101                    | (706,643)            | (6,996)             |
|          | Savings Institutions       | 81                     | 357,347            | 4,412               | 18                     | (1,292,450)          | (71,803)            |
|          | <b>Total</b>               | <b>573</b>             | <b>\$4,568,735</b> | <b>\$7,973</b>      | <b>253</b>             | <b>(\$3,576,053)</b> | <b>(\$14,135)</b>   |
| 2001     | Clearinghouse & Commercial | 338                    | \$2,783,854        | \$8,236             | 134                    | (\$1,222,016)        | (\$9,120)           |
|          | Foreign                    | 107                    | 1,801,995          | 16,841              | 125                    | (1,692,860)          | (13,543)            |
|          | Savings Institutions       | 67                     | 288,634            | 4,308               | 20                     | (3,020,571)          | (151,029)           |
|          | <b>Total</b>               | <b>512</b>             | <b>\$4,874,483</b> | <b>\$9,520</b>      | <b>279</b>             | <b>(\$5,935,448)</b> | <b>(\$21,274)</b>   |

As shown in Figure 10, the amount of positive allocated entire net income reported increased from 2000 to 2001 for clearinghouse and commercial banks and foreign banks, while it decreased for savings institutions. In contrast, negative allocated entire net income decreased for clearinghouse and commercial banks during this period, while it increased dramatically for foreign banks and savings institutions.

**Figure 10: Allocated Entire Net Income by Bank Type – 2000 and 2001**



### Tax Credits Used

Banks used \$29 million in tax credits in 2000 and \$41 million in 2001. This increase is due to the introduction of new credits such as the ITC for Financial Services and the QEZE Credits, and increased use of EZ/ZEA Credits.

Table 27 provides statistics on the total number of banks that used the Special Additional Mortgage Recording Tax Credit, the Mortgage Servicing Credit, the Investment Tax Credit for Financial Services, Empire Zone and Zone Equivalent Area (EZ/ZEA) Tax Credits, and the Qualified Empire Zone Enterprise (QEZE) Tax Credits for 2000 and 2001. This table also shows the value of the credits used during this time period.

As displayed in Table 27, during 2000 and 2001, the Special Additional Mortgage Recording Tax Credit was used by the greatest number of taxpayers. In 2000, 117 taxpayers used \$12.5 million of this credit. In 2001, 108 taxpayers used \$17.3 million of this credit. The Mortgage Servicing Credit was also used by a large number of taxpayers during this period. In 2000, 35 taxpayers used \$8.3 million of this credit. In 2001, 33 taxpayers used \$9.9 million of this credit.

The Investment Tax Credit for Financial Services increased in value from 2000 to 2001. In 2000, 25 taxpayers used \$5.3 million of this credit. In 2001, 31 taxpayers used \$6.1 million of this credit.

The number of taxpayers using EZ/ZEA Tax Credits<sup>2</sup> decreased from 2000 to 2001, although the total value of the credits increased. In 2000, 42 taxpayers used \$3.0 million of these credits. In 2001, 33 taxpayers used \$5.5 million of these credits. The QEZE Tax Credits<sup>2</sup>, which took effect in 2001, were used by 16 taxpayers in that year. The value of the credits in 2001 was \$2.6 million.

**Table 27: Credits Used by Article 32 Taxpayers – 2000 and 2001**

| Credit                                       | Number of Credit Users |      | Amount of Credit Used |              |
|--|------------------------|------|-----------------------|--------------|
|  | 2000                   | 2001 | 2000                  | 2001         |
| Mortgage Recording Tax Credit                | 117                    | 108  | \$12,525,779          | \$17,318,683 |
| Mortgage Servicing Credit                    | 35                     | 33   | 8,269,307             | 9,906,470    |
| Investment Tax Credit for Financial Services | 25                     | 31   | 5,256,105             | 6,124,235    |
| EZ/ZEA Tax Credits                           | 42                     | 33   | 3,012,443             | 5,517,991    |
| QEZE Tax Credits*                            | NA                     | 16   | NA                    | 2,566,500    |
| Total  | 219                    | 221  | \$29,063,634          | \$41,433,879 |

\*Effective for tax years beginning on or after January 1, 2001.

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# Endnotes

1. For an analysis of how these deductions impact tax liability, please see *2005-06 New York State Tax Expenditure Report*, prepared jointly by the New York State Department of Taxation and the New York State Division of the Budget.
2. EZ/ZEA Tax Credits include the Empire Zone Wage Tax Credit, the Empire Zone Capital Tax Credit, and the Zone Equivalent Area Tax Credit. QEZE Tax Credits include the QEZE Real Property Tax Credit and the QEZE Tax Reduction Credit.



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# Detailed Article 32 Summary Tables

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This section contains detailed Article 32 summary tables for the 2001 tax year. 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                | 732    | \$28,074,573,685 |
| Dividends & Interest Effectively Connected       | 66     | 7,719,449,772    |
| Income Effectively Connected                     | 15     | 132,341,450      |
| Dividends & Interest Not Included                | 155    | 2,874,019,565    |
| Income Taxes Paid                                | 99     | 22,336,527       |
| NYS Franchise Taxes                              | 592    | 529,309,697      |
| NYS Gains (loss)                                 | 4      | 114,032,947      |
| Federal Depreciation                             | 91     | 3,103,993,489    |
| Federal Safe Harbor Lease Deduction              | 0      | 0                |
| Amount Required Except for Safe Harbor Lease     | d/     | d/               |
| Additional Mortgage Recording Tax Deducted       | 104    | 16,372,505       |
| Other Federal Deduction - Article 9-B/9-C        | 3      | 37,727           |
| Bad Debt Deduction - IRC 166/585(c)              | 193    | 10,651,438,846   |
| 20% Excess Bad Debt Deduction                    | 9      | 226,878,160      |
| Other Additions to Federal Taxable Income        | 75     | 465,081,938      |
| Interest and Other Expenses Not Deducted         | 152    | 196,631,405      |
| Allowable New York Depreciation                  | 105    | 3,030,250,922    |
| Federal Gains (loss)                             | 4      | 19,163,425       |
| Other Federal Gain (loss)                        | d/     | d/               |
| Federal Income or Gain from Installment Method   | d/     | d/               |
| IRC Section 78 Dividends Included                | 11     | 42,166,211       |
| 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            | 18     | 2,594,975        |
| Money Received from FDIC/FSLIC/RTC               | 7      | 3,042,093,303    |
| Interest Income from Subsidiary Capital          | 28     | 1,338,438,621    |
| Dividend Income from Subsidiary Capital          | 98     | 15,151,367,686   |
| Net Gain from Subsidiary Capital                 | 7      | 80,139,234       |
| Interest Income on Obligations of New York State | 330    | 1,305,019,264    |
| Adjusted Eligible Net Income of IBF              | 4      | 339,768,756      |
| Recaptured Reserves on Losses - IRC 585(c)       | 48     | 78,360,029       |
| Recoveries of Charged Off Loans - IRC 585        | 54     | 167,692,914      |
| Bad Debt Deduction - 1453(h)                     | 62     | 2,709,244,092    |
| Bad Debt Deduction - 1453(i)                     | 112    | 10,089,677,196   |
| NYS Net Operating Loss Deduction                 | 6      | 76,998,436       |
| Other Subtractions                               | 75     | 4,529,034,946    |
| Entire Net Income                                | 731    | 14,129,469,734   |
| NY Depreciation - CT-399                         | d/     | d/               |
| NY Optional Depreciation Gain/Loss               | d/     | d/               |
| Allocated Taxable Entire Net Income              | 791    | (1,060,964,957)  |
| Largest of 4 Bases (Tax Before Credit)           | 791    | 501,757,500      |
| Tax Credits: Total                               | 147    | 41,433,880       |
| Tax Due  | 791    | 460,323,620      |
| Fixed Dollar Minimum Tax on Subsidiaries         | 192    | 850,750          |
| Total Tax Liability                              | 791    | 461,174,371      |

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

| Item   | Entire Net Income Base |                  |
|--|------------------------|------------------|
|  | Number                 | Amount           |
| Federal Taxable Income Before NOL                | 354                    | \$23,578,240,016 |
| Dividends & Interest Effectively Connected       | 43                     | 190,929,569      |
| Income Effectively Connected                     | 7                      | 121,041,602      |
| Dividends & Interest Not Included                | 95                     | 798,099,058      |
| Income Taxes Paid                                | 58                     | 61,572,024       |
| NYS Franchise Taxes                              | 313                    | 362,460,701      |
| NYS Gains (loss)                                 | 3                      | 96,084,928       |
| Federal Depreciation                             | 50                     | 1,487,062,373    |
| Federal Safe Harbor Lease Deduction              | 0                      | 0                |
| Amount Required Except for Safe Harbor Lease     | 0                      | 0                |
| Additional Mortgage Recording Tax Deducted       | 67                     | 7,118,540        |
| Other Federal Deduction - Article 9-B/9-C        | 3                      | 37,727           |
| Bad Debt Deduction - IRC 166/585(c)              | 86                     | 2,568,302,998    |
| 20% Excess Bad Debt Deduction                    | 5                      | 39,276,085       |
| Other Additions to Federal Taxable Income        | 36                     | 208,167,902      |
| Interest and Other Expenses Not Deducted         | 90                     | 71,624,663       |
| Allowable New York Depreciation                  | 61                     | 1,384,176,258    |
| 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            | 11                     | 738,361          |
| Money Received from FDIC/FSLIC/RTC               | 0                      | 0                |
| Interest Income from Subsidiary Capital          | 16                     | 527,848,982      |
| Dividend Income from Subsidiary Capital          | 44                     | 1,691,283,425    |
| Net Gain from Subsidiary Capital                 | 3                      | 14,581,273       |
| Interest Income on Obligations of New York State | 184                    | 386,507,325      |
| Adjusted Eligible Net Income of IBF              | 3                      | 336,454,706      |
| Recaptured Reserves on Losses - IRC 585(c)       | 27                     | 46,619,265       |
| Recoveries of Charged Off Loans - IRC 585        | 28                     | 96,584,562       |
| Bad Debt Deduction - 1453(h)                     | 33                     | 2,063,573,262    |
| Bad Debt Deduction - 1453(i)                     | 45                     | 1,313,029,705    |
| NYS Net Operating Loss Deduction                 | 3                      | 73,708,064       |
| Other Subtractions                               | 38                     | 1,880,651,377    |
| Entire Net Income                                | 355                    | 19,530,832,791   |
| NY Depreciation - CT-399                         | 0                      | 0                |
| NY Optional Depreciation Gain/Loss               | 0                      | 0                |
| Allocated Taxable Entire Net Income              | 355                    | 4,213,819,718    |
| Largest of 4 Bases (Tax Before Credit)           | 355                    | 357,216,958      |
| Tax Credits: Total                               | 89                     | 19,580,399       |
| Tax Due  | 355                    | 337,636,559      |
| Fixed Dollar Minimum Tax on Subsidiaries         | 111                    | 620,000          |
| Total Tax Liability                              | 355                    | 338,256,560      |

\*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 30: Selected Tax Return Items for Article 32 Alternative Bases Filers\***

| Item   | Alternative Bases |                   |
|--|-------------------|-------------------|
|  | Number            | Amount            |
| Federal Taxable Income Before NOL                | 246               | \$4,340,982,471   |
| Dividends & Interest Effectively Connected       | 12                | 7,510,783,037     |
| Income Effectively Connected                     | 7                 | 11,299,258        |
| Dividends & Interest Not Included                | 40                | 1,124,674,912     |
| Income Taxes Paid                                | 31                | (40,194,311)      |
| NYS Franchise Taxes                              | 212               | 164,201,395       |
| NYS Gains (loss)                                 | d/                | d/                |
| Federal Depreciation                             | 32                | 1,593,984,402     |
| Federal Safe Harbor Lease Deduction              | 0                 | 0                 |
| Amount Required Except for Safe Harbor Lease     | d/                | d/                |
| Additional Mortgage Recording Tax Deducted       | 12                | 1,306,947         |
| Other Federal Deduction - Article 9-B/9-C        | 0                 | 0                 |
| Bad Debt Deduction - IRC 166/585(c)              | 93                | 7,858,889,032     |
| 20% Excess Bad Debt Deduction                    | 4                 | 187,602,075       |
| Other Additions to Federal Taxable Income        | 31                | 135,478,684       |
| Interest and Other Expenses Not Deducted         | 41                | 109,542,768       |
| Allowable New York Depreciation                  | 34                | 1,621,901,452     |
| Federal Gains (loss)                             | 3                 | 19,164,638        |
| Other Federal Gain (loss)                        | 0                 | 0                 |
| Federal Income or Gain from Installment Method   | 0                 | 0                 |
| IRC Section 78 Dividends Included                | 6                 | 33,765,131        |
| 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            | 6                 | 1,805,097         |
| Money Received from FDIC/FSLIC/RTC               | 0                 | 0                 |
| Interest Income from Subsidiary Capital          | 10                | 809,357,709       |
| Dividend Income from Subsidiary Capital          | 40                | 12,905,551,365    |
| Net Gain from Subsidiary Capital                 | 4                 | 65,557,961        |
| Interest Income on Obligations of New York State | 112               | 869,860,278       |
| Adjusted Eligible Net Income of IBF              | d/                | d/                |
| Recaptured Reserves on Losses - IRC 585(c)       | 10                | 30,213,056        |
| Recoveries of Charged Off Loans - IRC 585        | 26                | 71,108,352        |
| Bad Debt Deduction - 1453(h)                     | 21                | 625,638,147       |
| Bad Debt Deduction - 1453(i)                     | 61                | 8,580,498,960     |
| NYS Net Operating Loss Deduction                 | d/                | d/                |
| Other Subtractions                               | 27                | 2,644,393,956     |
| Entire Net Income                                | 245               | (5,485,996,417)   |
| NY Depreciation - CT-399                         | d/                | d/                |
| NY Optional Depreciation Gain/Loss               | d/                | d/                |
| Allocated Taxable Entire Net Income              | 246               | (2,129,198,912)   |
| Allocated Taxable Alternative Entire Net Income  | 245               | (249,667,596)     |
| Tax on Alternative ENI Base                      | 55                | 71,133,372        |
| Total Assets - Average Value                     | 246               | 3,122,279,965,601 |
| Money or Other Property Received from FDIC       | 0                 | 0                 |
| Allocated Taxable Assets                         | 246               | 1,114,735,810,706 |
| Tax on Allocated Taxable Assets                  | 246               | 111,467,357       |
| Largest of 4 Bases (Tax Before Credit)           | 246               | 137,388,442       |
| Tax Credits: Total                               | 30                | 14,748,881        |
| Tax Due  | 246               | 122,639,561       |
| Fixed Dollar Minimum Tax on Subsidiaries         | 61                | 208,000           |
| Total Tax Liability                              | 246               | 122,847,561       |

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

| Item   | Fixed Dollar Minimum Base |                 |
|--|---------------------------|-----------------|
|  | Number                    | Amount          |
| Federal Taxable Income Before NOL                | 132                       | \$155,351,198   |
| Dividends & Interest Effectively Connected       | 11                        | 17,737,166      |
| Income Effectively Connected                     | d/                        | d/              |
| Dividends & Interest Not Included                | 20                        | 951,245,595     |
| Income Taxes Paid                                | 10                        | 958,814         |
| NYS Franchise Taxes                              | 67                        | 2,647,601       |
| NYS Gains (loss)                                 | 0                         | 0               |
| Federal Depreciation                             | 9                         | 22,946,714      |
| Federal Safe Harbor Lease Deduction              | 0                         | 0               |
| Amount Required Except for Safe Harbor Lease     | 0                         | 0               |
| Additional Mortgage Recording Tax Deducted       | 25                        | 7,947,018       |
| Other Federal Deduction - Article 9-B/9-C        | 0                         | 0               |
| Bad Debt Deduction - IRC 166/585(c)              | 14                        | 224,246,816     |
| 20% Excess Bad Debt Deduction                    | 0                         | 0               |
| Other Additions to Federal Taxable Income        | 8                         | 121,435,352     |
| Interest and Other Expenses Not Deducted         | 21                        | 15,463,974      |
| Allowable New York Depreciation                  | 10                        | 24,173,212      |
| Federal Gains (loss)                             | 0                         | 0               |
| Other Federal Gain (loss)                        | 0                         | 0               |
| Federal Income or Gain from Installment Method   | 0                         | 0               |
| IRC Section 78 Dividends Included                | 4                         | 1,583,538       |
| 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            | d/                        | d/              |
| Money Received from FDIC/FSLIC/RTC               | 7                         | 3,042,093,303   |
| Interest Income from Subsidiary Capital          | d/                        | d/              |
| Dividend Income from Subsidiary Capital          | 14                        | 554,532,896     |
| Net Gain from Subsidiary Capital                 | 0                         | 0               |
| Interest Income on Obligations of New York State | 34                        | 48,651,661      |
| Adjusted Eligible Net Income of IBF              | 0                         | 0               |
| Recaptured Reserves on Losses - IRC 585(c)       | 11                        | 1,527,708       |
| Recoveries of Charged Off Loans - IRC 585        | 0                         | 0               |
| Bad Debt Deduction - 1453(h)                     | 8                         | 20,032,683      |
| Bad Debt Deduction - 1453(i)                     | 6                         | 196,148,531     |
| NYS Net Operating Loss Deduction                 | d/                        | d/              |
| Other Subtractions                               | 10                        | 3,989,613       |
| Entire Net Income                                | 131                       | 84,633,360      |
| NY Depreciation - CT-399                         | 0                         | 0               |
| NY Optional Depreciation Gain/Loss               | 0                         | 0               |
| Allocated Taxable Entire Net Income              | 190                       | (3,145,585,763) |
| Largest of 4 Bases (Tax Before Credit)           | 190                       | 7,152,100       |
| Tax Credits: Total                               | 28                        | 7,104,600       |
| Tax Due  | 190                       | 47,500          |
| Fixed Dollar Minimum Tax on Subsidiaries         | 20                        | 22,750          |
| Total Tax Liability                              | 190                       | 70,250          |

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

| Item   | Clearinghouse &<br>Commercial Banks |                | Foreign Banks    |               | Savings Institutions |                 |
|--|-------------------------------------|----------------|------------------|---------------|----------------------|-----------------|
|  | Number                              | Amount         | Number           | Amount        | Number               | Amount          |
|  | Federal Taxable Income Before NOL   | 433            | \$26,875,325,923 | 214           | \$242,345,011        | 85              |
| Dividends & Interest Effectively Connected       | 54                                  | 7,674,426,604  | 4                | 43,616,569    | 8                    | 1,406,599       |
| Income Effectively Connected                     | 12                                  | 13,090,398     | 3                | 119,251,052   | 0                    | 0               |
| Dividends & Interest Not Included                | 126                                 | 2,662,422,060  | 3                | 166,458,184   | 26                   | 45,139,321      |
| Income Taxes Paid                                | 64                                  | (2,958,088)    | 27               | 8,819,123     | 8                    | 16,475,492      |
| NYS Franchise Taxes                              | 330                                 | 281,060,679    | 199              | 222,400,400   | 63                   | 25,848,618      |
| NYS Gains (loss)                                 | 4                                   | 114,032,947    | 0                | 0             | 0                    | 0               |
| Federal Depreciation                             | 62                                  | 3,067,939,368  | 23               | 27,028,614    | 6                    | 9,025,507       |
| Federal Safe Harbor Lease Deduction              | 0                                   | 0              | 0                | 0             | 0                    | 0               |
| Amount Required Except for Safe Harbor Lease     | d/                                  | d/             | 0                | 0             | 0                    | 0               |
| Additional Mortgage Recording Tax Deducted       | 72                                  | 11,024,282     | 0                | 0             | 32                   | 5,348,223       |
| Other Federal Deduction - Article 9-B/9-C        | d/                                  | d/             | 0                | 0             | d/                   | d/              |
| Bad Debt Deduction - IRC 166/585(c)              | 70                                  | 5,784,004,799  | 88               | 4,682,240,351 | 35                   | 185,193,696     |
| 20% Excess Bad Debt Deduction                    | 3                                   | 185,571,826    | 5                | 34,646,852    | d/                   | d/              |
| Other Additions to Federal Taxable Income        | 32                                  | 404,634,665    | 32               | (59,013,048)  | 11                   | 119,460,321     |
| Interest and Other Expenses Not Deducted         | 131                                 | 188,912,714    | 5                | 5,777,187     | 16                   | 1,941,504       |
| Allowable New York Depreciation                  | 72                                  | 2,989,564,626  | 26               | 31,234,010    | 7                    | 9,452,286       |
| Federal Gains (loss)                             | 3                                   | 19,164,638     | d/               | d/            | 0                    | 0               |
| Other Federal Gain (loss)                        | d/                                  | d/             | 0                | 0             | 0                    | 0               |
| Federal Income or Gain from Installment Method   | d/                                  | d/             | 0                | 0             | d/                   | d/              |
| IRC Section 78 Dividends Included                | 11                                  | 42,166,211     | 0                | 0             | 0                    | 0               |
| Amount Deducted as a Result of Safe Harbor Lease | 0                                   | 0              | 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            | 16                                  | 2,586,390      | 0                | 0             | d/                   | d/              |
| Money Received from FDIC/FSLIC/RTC               | d/                                  | d/             | 0                | 0             | 5                    | 2,781,903,472   |
| Interest Income from Subsidiary Capital          | 22                                  | 1,260,159,448  | 4                | 64,890,587    | d/                   | d/              |
| Dividend Income from Subsidiary Capital          | 77                                  | 14,917,627,460 | d/               | d/            | 19                   | 209,230,441     |
| Net Gain from Subsidiary Capital                 | 7                                   | 80,139,234     | 0                | 0             | 0                    | 0               |
| Interest Income on Obligations of New York State | 200                                 | 1,038,137,080  | 85               | 261,933,276   | 45                   | 4,948,908       |
| Adjusted Eligible Net Income of IBF              | 3                                   | 336,454,706    | d/               | d/            | 0                    | 0               |
| Recaptured Reserves on Losses - IRC 585(c)       | 22                                  | 37,930,902     | 0                | 0             | 26                   | 40,429,127      |
| Recoveries of Charged Off Loans - IRC 585        | 15                                  | 73,790,278     | 38               | 93,776,849    | d/                   | d/              |
| Bad Debt Deduction - 1453(h)                     | 20                                  | 1,393,142,319  | 15               | 488,865,140   | 27                   | 827,236,633     |
| Bad Debt Deduction - 1453(i)                     | 42                                  | 5,677,315,930  | 61               | 4,369,912,343 | 9                    | 42,448,923      |
| NYS Net Operating Loss Deduction                 | 6                                   | 76,998,436     | 0                | 0             | 0                    | 0               |
| Other Subtractions                               | 40                                  | 4,505,859,962  | 16               | 6,387,341     | 19                   | 16,787,643      |
| Entire Net Income                                | 433                                 | 14,076,534,099 | 214              | 137,193,753   | 84                   | (84,258,118)    |
| NY Depreciation - CT-399                         | 0                                   | 0              | d/               | d/            | 0                    | 0               |
| NY Optional Depreciation Gain/Loss               | d/                                  | d/             | 0                | 0             | 0                    | 0               |
| Allocated Taxable Entire Net Income              | 472                                 | 1,561,837,872  | 232              | 109,134,554   | 87                   | (2,731,937,383) |
| Largest of 4 Bases (Tax Before Credit)           | 472                                 | 281,303,983    | 232              | 193,630,053   | 87                   | 26,823,464      |
| Tax Credits: Total                               | 97                                  | 33,778,126     | 9                | 2,968,717     | 41                   | 4,687,037       |
| Tax Due  | 472                                 | 247,525,857    | 232              | 190,661,336   | 87                   | 22,136,427      |
| Fixed Dollar Minimum Tax on Subsidiaries         | 153                                 | 795,500        | 6                | 12,750        | 33                   | 42,500          |
| Total Tax Liability                              | 472                                 | 248,321,358    | 232              | 190,674,086   | 87                   | 22,178,927      |

\*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 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                | 535    | \$3,727,156,238 | 197    | \$24,347,417,447 |
| Dividends & Interest Effectively Connected       | 27     | 257,479,845     | 39     | 7,461,969,927    |
| Income Effectively Connected                     | 10     | 121,218,257     | 5      | 11,123,193       |
| Dividends & Interest Not Included                | 61     | 507,864,164     | 94     | 2,366,155,401    |
| Income Taxes Paid                                | 73     | 79,799,289      | 26     | (57,462,762)     |
| NYS Franchise Taxes                              | 416    | 269,043,636     | 176    | 260,266,061      |
| NYS Gains (loss)                                 | d/     | d/              | 3      | 114,004,183      |
| Federal Depreciation                             | 43     | 167,243,437     | 48     | 2,936,750,052    |
| Federal Safe Harbor Lease Deduction              | 0      | 0               | 0      | 0                |
| Amount Required Except for Safe Harbor Lease     | 0      | 0               | d/     | d/               |
| Additional Mortgage Recording Tax Deducted       | 32     | 1,203,736       | 72     | 15,168,769       |
| Other Federal Deduction - Article 9-B/9-C        | d/     | d/              | d/     | d/               |
| Bad Debt Deduction - IRC 166/585(c)              | 117    | 5,168,578,997   | 76     | 5,482,859,849    |
| 20% Excess Bad Debt Deduction                    | 6      | 29,024,780      | 3      | 197,853,380      |
| Other Additions to Federal Taxable Income        | 45     | (45,219,004)    | 30     | 510,300,942      |
| Interest and Other Expenses Not Deducted         | 53     | 56,724,938      | 99     | 139,906,467      |
| Allowable New York Depreciation                  | 50     | 170,014,770     | 55     | 2,860,236,152    |
| Federal Gains (loss)                             | d/     | d/              | d/     | d/               |
| Other Federal Gain (loss)                        | 0      | 0               | d/     | d/               |
| Federal Income or Gain from Installment Method   | d/     | d/              | 0      | 0                |
| IRC Section 78 Dividends Included                | 3      | 767             | 8      | 42,165,444       |
| Amount Deducted as a Result of Safe Harbor Lease | 0      | 0               | 0      | 0                |
| Amount Deducted Except for a Safe Harbor Lease   | 0      | 0               | 0      | 0                |
| Wages Not Deducted Due to Jobs Credit            | 9      | 897,706         | 9      | 1,697,269        |
| Money Received from FDIC/FSLIC/RTC               | 4      | 906,983,774     | 3      | 2,135,109,529    |
| Interest Income from Subsidiary Capital          | 10     | 93,554,371      | 18     | 1,244,884,250    |
| Dividend Income from Subsidiary Capital          | 23     | 521,064,432     | 75     | 14,630,303,254   |
| Net Gain from Subsidiary Capital                 | d/     | d/              | 6      | 74,744,893       |
| Interest Income on Obligations of New York State | 189    | 436,291,199     | 141    | 868,728,065      |
| Adjusted Eligible Net Income of IBF              | d/     | d/              | d/     | d/               |
| Recaptured Reserves on Losses - IRC 585(c)       | 13     | 31,827,786      | 35     | 46,532,243       |
| Recoveries of Charged Off Loans - IRC 585        | 45     | 151,912,120     | 9      | 15,780,794       |
| Bad Debt Deduction - 1453(h)                     | 28     | 413,400,260     | 34     | 2,295,843,832    |
| Bad Debt Deduction - 1453(i)                     | 78     | 4,952,771,030   | 34     | 5,136,906,166    |
| NYS Net Operating Loss Deduction                 | d/     | d/              | 5      | 75,836,669       |
| Other Subtractions                               | 36     | 59,547,911      | 39     | 4,469,487,035    |
| Entire Net Income                                | 534    | 2,477,372,876   | 197    | 11,652,096,858   |
| NY Depreciation - CT-399                         | d/     | d/              | 0      | 0                |
| NY Optional Depreciation Gain/Loss               | d/     | d/              | 0      | 0                |
| Allocated Taxable Entire Net Income              | 592    | (733,492,659)   | 199    | (327,472,298)    |
| Largest of 4 Bases (Tax Before Credit)           | 592    | 226,638,606     | 199    | 275,118,894      |
| Tax Credits: Total                               | 48     | 4,308,970       | 99     | 37,124,910       |
| Tax Due  | 592    | 222,329,636     | 199    | 237,993,984      |
| Fixed Dollar Minimum Tax on Subsidiaries         | 0      | 0               | 192    | 850,750          |
| Total Tax Liability                              | 592    | 222,329,636     | 199    | 238,844,735      |

\*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 33: Franchise Tax on Insurance Corporations

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## Tax Structure: Tax Law as of 2001

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

- 8.5 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 0.7 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.

In computing the Article 33 tax, insurance corporations add the tax on gross premiums to the highest of the four alternative taxes. The premiums limitation on tax provides that the total tax liability of the two components

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cannot exceed 2 percent of taxable premiums for life insurers or 2.4 percent of taxable premiums for all other insurers.

Empire Zone and Zone Equivalent Area (EZ/ZEA) tax credits must be taken before the limitation is applied. All other credits may be applied against the tax due after the limitation. Certain taxpayers may report tax due before the limitation on premiums of \$250 (based on the fixed minimum amount), but have zero tax due based on the limitation and report zero tax due after the limitation.

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**Significant Tax Law Changes: 2000 and 2001**

*2000*

- The tax rate on entire net income was reduced from 9 percent to 8.5 percent for taxable years beginning after June 30, 2000.
- The premiums limitation on tax was reduced from 2.6 percent of taxable premiums to 2.4 percent of taxable premiums for non-life insurers for taxable years beginning after June 30, 2000.

*2001*

- The tax rate on entire net income was reduced from 8.5 percent to 8 percent for taxable years beginning after June 30, 2001.
  - The premiums limitation on tax was reduced from 2.4 percent of taxable premiums to 2.2 percent of taxable premiums for non-life insurers for taxable years beginning after June 30, 2001.
  - Taxpayers are required to apply Empire Zone and Zone Equivalent Area (EZ/ZEA) tax credits against the tax due before the limitation instead of after the limitation. This change is effective for taxable years beginning on or after January 1, 2001.
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**Statistical Summary: Comparison of 2000 Versus 2001**

This section provides tax return data for tax years 2000 and 2001. Tables 34 through 37 provide statistics for three separate categories of insurance companies and for all insurance companies. The three categories are life insurance companies, property and casualty insurance companies, and other insurance companies (accident and health, title, mortgage, financial guaranty, and reciprocal insurers).

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Tax Liability Before  
Limitation and Credits

*Number of Taxpayers*

As shown in Table 34, the number of insurance companies subject to Article 33 increased by only 12 from 2000 to 2001. Property and casualty insurers increased overall in number, from 771 in 2000 to 776 in 2001.

Table 34 also shows that life insurers were the second largest group of Article 33 taxpayers. The number of life insurers increased from 175 in 2000 to 181 in 2001. The category of "others" increased by just one, from 80 to 81.

*Tax Liability Before Limitation and Credits*

Table 34 shows that the tax, before the limitation on premiums and before credits, decreased from \$847.5 million to \$759.6 million between 2000 and 2001. This represented a decrease of about \$88 million during this period.

Between 2000 and 2001, the share of tax liability of property and casualty insurers increased from 56.3 percent to 56.9 percent. During this period, the percentage of tax liability of life insurers decreased from 32.0 percent to 28.3 percent. The tax liability of the remaining categories of insurers increased from 11.7 percent to 14.8 percent of total liability.

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**Table 34: Article 33 Tax Liability Before Limitation and Credits - 2000 and 2001**

| Tax Year | Insurance Category  | Number of Taxpayers | Tax Liability Before Limitation & Credits | Share of Total Insurance Tax Liability (%) |
|----------|---------------------|---------------------|---|--|
| 2000     | Life                | 175                 | \$271,156,204                             | 32.0                                       |
|          | Property & Casualty | 771                 | 477,106,282                               | 56.3                                       |
|          | Others              | 80                  | 99,276,415                                | 11.7                                       |
|          | <b>Total</b>        | <b>1,026</b>        | <b>\$847,538,901</b>                      | <b>100.0</b>                               |
| 2001     | Life                | 181                 | \$215,224,422                             | 28.3                                       |
|          | Property & Casualty | 776                 | 431,961,448                               | 56.9                                       |
|          | Others              | 81                  | 112,412,359                               | 14.8                                       |
|          | <b>Total</b>        | <b>1,038</b>        | <b>\$759,598,229</b>                      | <b>100.0</b>                               |

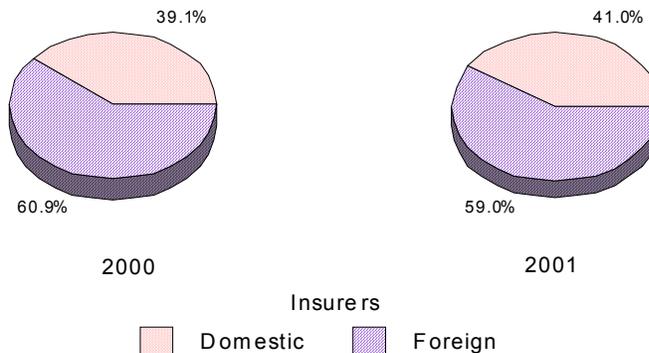
Table 35 shows that foreign insurers accounted for about two thirds of the Article 33 population in 2000 and 2001. Property and casualty insurers had the greatest ratio of foreign to domestic insurers. In 2000, the number of domestic life insurers exceeded the number of foreign life insurers, but not in 2001.

Figure 11 shows that foreign insurers represented 60.9 percent and 59.0 percent of total Article 33 tax liability in 2000 and 2001, respectively. Table 35 indicates that this distribution is attributable to foreign property and casualty insurers, which represented the vast majority of foreign insurers' liability in both 2000 and 2001.

**Table 35: Article 33 Tax Liability of Domestic and Foreign Insurers Before Limitation and Credits - 2000 and 2001**

| Tax Year | Insurance Category  | Number of Domestic Companies | Liability of Domestic Companies | Number of Foreign Companies | Liability of Foreign Companies |
|----------|---------------------|------------------------------|---------------------------------|-----------------------------|--------------------------------|
| 2000     | Life                | 89                           | \$168,550,993                   | 86                          | \$102,605,211                  |
|          | Property & Casualty | 171                          | 89,719,913                      | 600                         | 387,386,369                    |
|          | Others              | 33                           | 73,291,129                      | 47                          | 25,985,286                     |
|          | <b>Total</b>        | <b>293</b>                   | <b>\$331,562,035</b>            | <b>733</b>                  | <b>\$515,976,866</b>           |
| 2001     | Life                | 88                           | \$127,815,005                   | 93                          | \$87,409,417                   |
|          | Property & Casualty | 162                          | 94,768,592                      | 614                         | 337,192,856                    |
|          | Others              | 37                           | 89,048,696                      | 44                          | 23,363,663                     |
|          | <b>Total</b>        | <b>287</b>                   | <b>\$311,632,293</b>            | <b>751</b>                  | <b>\$447,965,936</b>           |

**Figure 11: Distribution of Article 33 Tax Liability Between Domestic and Foreign Insurers – 2000 and 2001**



Tax Liability by  
Premiums and  
Income Bases

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

As illustrated in Table 36, there was a dramatic shift in the distribution of Article 33 tax liability between the premiums and the income base. The premiums base, as a percent of total liability before application of the tax limitation and credits, increased from 45.5 percent in 2000 to 59.6 percent in 2001. This shift was driven by a large increase in the total amount of the premiums tax and a large decrease in the total amount of the income tax. The premiums tax increased by \$67.4 million from 2000 to 2001, while the income tax decreased by \$155.3 million.

**Table 36: Article 33 Tax Liability by Base of Tax Before Limitation and Credits - 2000 and 2001**

| Tax Year | Insurance Category  | Amount of<br>Premiums<br>Based Tax | Share of<br>Tax from<br>Premiums<br>Base (%) | Amount of<br>Income<br>Based Tax | Share of<br>Tax from<br>Income<br>Base (%) |
|----------|---------------------|------------------------------------|--|----------------------------------|--|
| 2000     | Life                | \$85,160,259                       | 31.4   | \$185,995,945                    | 68.6                                       |
|          | Property & Casualty | 263,778,381                        | 55.3   | 213,327,901                      | 44.7                                       |
|          | Others              | 36,316,086                         | 36.6   | 62,960,329                       | 63.4                                       |
|          | <b>Total</b>        | <b>\$385,254,726</b>               | <b>45.5</b>                                  | <b>\$462,284,175</b>             | <b>54.5</b>                                |
| 2001     | Life                | \$97,122,063                       | 45.1   | \$118,102,359                    | 54.9                                       |
|          | Property & Casualty | 309,721,758                        | 71.7   | 122,239,690                      | 28.3                                       |
|          | Others              | 45,795,319                         | 40.7   | 66,617,040                       | 59.3                                       |
|          | <b>Total</b>        | <b>\$452,639,140</b>               | <b>59.6</b>                                  | <b>\$306,959,089</b>             | <b>40.4</b>                                |

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Tax Liability After  
Limitation and Credits

*Tax Limitation*

As shown in Table 37, the number of taxpayers whose tax liability was subject to the premiums limitation on tax declined from 533 in 2000 to 482 in 2001. The total value of the limitation also declined noticeably, from \$218.0 million in 2000 to \$134.7 million in 2001. The value of the limitation to taxpayers decreased significantly for both life and property and casualty insurers. The reason for this was the decrease in tax due before the limitation, which itself was due to the large drop in income tax liability.

*Tax Credits<sup>1</sup>*

The number of taxpayers using credits decreased from 319 in 2000 to 315 in 2001. The amount of credits used by taxpayers equaled \$67.9 million in the 2000 tax year and \$69.8 million in the 2001 tax year.

Nearly all credit usage by insurance companies is due to three credits that are specific to Article 33. The Fire Insurance Premiums Tax Credit, which is not applicable to life insurers, was the most widely used credit in 2000 and 2001. The Retaliatory Tax Credit, which may only be taken by domestic companies, decreased in value for both life and property and casualty insurers from 2000 to 2001. The CAPCO Credit, introduced in 1999, continues to grow in value for both types of insurer.

Total Tax Credits in 2001 does not include Empire Zone and Zone Equivalent Area (EZ/ZEA) credits because of the fact that these credits are applied against the tax due before the limitation. The value of EZ/ZEA credits was not disclosable in 2001.

*Tax Liability After Tax Limitation and Credits*

Table 37 and Figure 12 show that tax liability after limitation and credits decreased from \$561.7 million in 2000 to \$555.1 million in 2001.

**Table 37: Article 33 Tax Liability After Limitation and Credits - 2000 and 2001**

| Tax Year | Insurance Category  | Tax Limitation 1/      |                        | Total Tax Credits 2/      |                         | Value of<br>Limitation &<br>Tax Credits | Total<br>Tax Liability |
|----------|---------------------|------------------------|------------------------|---------------------------|-------------------------|---|------------------------|
|          |                     | Number of<br>Taxpayers | Value of<br>Limitation | Number of<br>Taxpayers 3/ | Value of<br>Tax Credits |   |                        |
| 2000     | Life                | 110                    | \$98,693,820           | 35                        | \$21,788,664            | \$120,482,484                           | \$150,673,721          |
|          | Property & Casualty | 378                    | 70,834,866             | 274                       | 44,005,878              | 114,840,744                             | 362,265,541            |
|          | Others              | 45                     | 48,423,346             | 10                        | 2,074,000               | 50,497,346                              | 48,779,069             |
|          | <b>Total</b>        | <b>533</b>             | <b>\$217,952,032</b>   | <b>319</b>                | <b>\$67,868,542</b>     | <b>\$285,820,574</b>                    | <b>\$561,718,332</b>   |
| 2001     | Life                | 97                     | \$49,969,786           | 37                        | \$16,614,246            | \$66,584,032                            | \$148,640,393          |
|          | Property & Casualty | 339                    | 35,985,577             | 267                       | 50,249,201              | 86,234,778                              | 345,642,076            |
|          | Others              | 46                     | 48,716,861             | 11                        | 2,904,707               | 51,621,568                              | 60,790,791             |
|          | <b>Total</b>        | <b>482</b>             | <b>\$134,672,224</b>   | <b>315</b>                | <b>\$69,768,154</b>     | <b>\$204,440,378</b>                    | <b>\$555,073,260</b>   |

1/ This column displays the number of taxpayers whose tax liability was determined based on the limitation on tax and the amount by which the limit decreased their tax liability. The limitation equals 2.0 percent of the taxpayer's gross premiums for life insurers and 2.4 percent for all other insurers

2/ Total credits includes the retaliatory tax credit, fire premiums credit, and the CAPCO credit.

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.

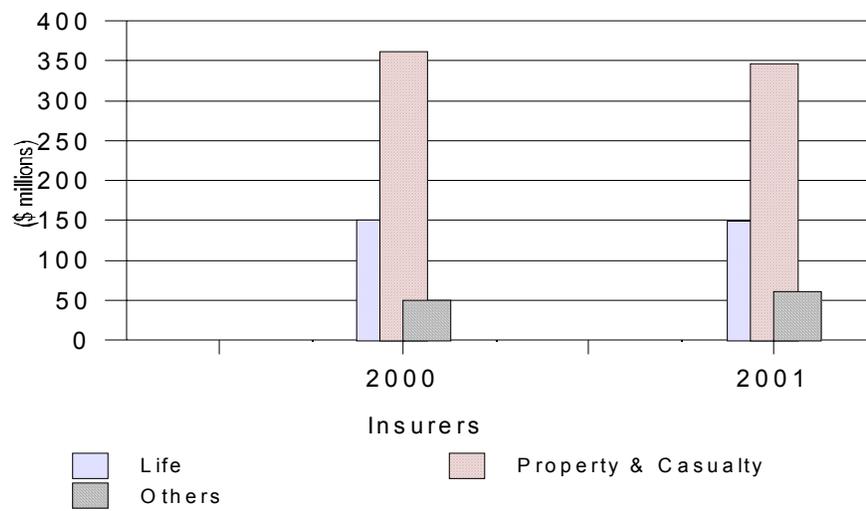
**Table 37A: Retaliatory Tax Credit and CAPCO Credit: Number of Credit Users and Amount of Credit Used - 2000 and 2001**

| Tax Year | Credit                 | Life Insurers          |                       | Property & Casualty    |                       |
|----------|------------------------|------------------------|-----------------------|------------------------|-----------------------|
|          |                        | Number of Credit Users | Amount of Credit Used | Number of Credit Users | Amount of Credit Used |
| 2000     | Retaliatory Tax Credit | 23                     | \$15,621,622          | 42                     | \$10,229,375          |
|          | CAPCO Credit           | 19                     | \$6,139,293           | 9                      | \$2,318,677           |
| 2001     | Retaliatory Tax Credit | 22                     | \$8,114,583           | 30                     | \$9,296,593           |
|          | CAPCO Credit           | 23                     | \$8,499,663           | 12                     | \$3,475,161           |

**Table 37B: Fire Insurance Premiums Tax Credit: Number of Credit Users and Amount of Credit Used - 2000 -2001**

| Tax Year | Number of Credit Users | Amount of Credit Used |
|----------|------------------------|-----------------------|
| 2000     | 237                    | \$31,822,480          |
| 2001     | 239                    | \$37,486,319          |

**Figure 12: Distribution of Article 33 Tax Liability After Limitation and Credits – 2000 and 2001**



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# Endnotes

1. Insurance companies may claim many of the same credits as other corporate taxpayers. However, the following credits are only available to insurance companies under Article 33: fire insurance premiums tax credit (Tax Law Section 1511(a)); credit against reciprocal taxes imposed by this state (Tax Law Section 1511(b)); credit relating to life insurance company guarantee fund assessments (Tax Law Section 1511(f)); retaliatory tax credits (Tax Law Sections 1511(c) and 1511(h)); credit for investment in certified capital companies (Tax Law Section 1511(k));



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# Detailed Article 33 Summary Tables

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This section contains detailed Article 33 summary tables for the 2001 tax year. Tax liability excludes the MTA surcharge.

These tables do not include data for taxpayers who report zero tax due as a result of the premiums tax limitation. Income related items of information on these returns is often unreliable and is not verified. Therefore, data presented in these tables will differ from that presented in the other tables included in this report, which include data for all taxpayers. In 2001, there were 25 of these taxpayers.

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                | 990    | (\$21,089,058,351) |
| Dividends Received Deduction                     | 519    | 5,737,700,462      |
| Dividends or Interest Income Not Included        | 622    | 7,192,080,850      |
| Interest to Stockholders                         | 14     | 32,379,493         |
| Adjustment for Gains or Losses                   | 11     | 2,287,907          |
| Deductions Attributable to Subsidiary Capital    | 9      | 8,986,058          |
| NYS Franchise Taxes                              | 605    | 497,745,031        |
| Federal Safe Harbor Lease Deduction              | 0      | 0                  |
| Amount Required Except for Safe Harbor Lease     | 0      | 0                  |
| ACRS/MACRS Deduction                             | 93     | 883,329,156        |
| Deduction from Federal Gross Income              | 33     | 588,811,837        |
| Unearned Premiums Excluded                       | 650    | 18,140,150,878     |
| Unpaid Losses Difference Preceding               | 665    | 35,388,262,983     |
| Other Additions                                  | 68     | 526,280,840        |
| Total Additions                                  | 998    | 47,908,963,486     |
| Income from Subsidiary Capital                   | 92     | 3,866,676,250      |
| 50% of Dividends                                 | 436    | 2,231,974,920      |
| Gain on Installment Sales                        | 0      | 0                  |
| NY Net Operating Loss                            | 87     | 5,298,617,071      |
| Amount Included as a Result of Safe Harbor Lease | 0      | 0                  |
| Amount Deducted Except for a Safe Harbor Lease   | d/     | d/                 |
| Depreciation Allowed Section 1503(b)(10)         | 86     | 880,133,159        |
| Amount in Federal Gross Income                   | 34     | 509,663,623        |
| Unearned Premiums Included                       | 641    | 46,249,738,742     |
| Unpaid Losses Difference Current                 | 658    | 36,807,778,204     |
| Reduction of Loss Deduction                      | 577    | 1,125,845,212      |
| Other Subtractions                               | 77     | 307,375,206        |
| Total Subtractions                               | 863    | 97,277,856,787     |
| Entire Net Income                                | 991    | (49,371,569,360)   |
| Allocated Entire Net Income                      | 822    | (5,700,387,533)    |
| Tax on Entire Net Income                         | 497    | 265,880,668        |
| Allocated Subsidiary Capital                     | 129    | 4,960,482,991      |
| Tax on Subsidiary Capital                        | 128    | 3,968,387          |
| Life Insurance Premiums - Life                   | 145    | 9,211,781,444      |
| Accident & Health Premiums - Life                | 115    | 4,776,490,483      |
| Other Insurance Premiums - Life                  | 8      | 50,054,188         |
| Life Insurance Company Premiums - Life           | 154    | 14,038,326,116     |
| Tax on Life Company Premiums - Life              | 153    | 98,268,314         |
| Accident & Health Company Premiums               | 79     | 3,171,681,617      |
| Tax On Accident & Health Company Premiums        | 78     | 31,716,814         |
| Other Nonlife Insurance Premiums                 | 588    | 24,819,541,640     |
| Tax on Other Nonlife Premiums                    | 586    | 322,654,012        |
| Tax Before Limitation                            | 1,013  | 759,591,979        |
| Limitation on Tax-Life                           | 156    | 287,925,768        |
| Limitation on Tax-Non-Life                       | 613    | 677,275,645        |
| Tax Before Credits                               | 763    | 624,841,142        |
| Tax Credits                                      | 315    | 69,768,154         |
| Tax Due  | 757    | 555,073,010        |

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

| Item   | Entire Net Income Base |                  |
|--|------------------------|------------------|
|  | Number                 | Amount           |
| Federal Taxable Income Before NOL                | 425                    | \$15,399,017,710 |
| Dividends Received Deduction                     | 251                    | 2,009,394,706    |
| Dividends or Interest Income Not Included        | 287                    | 3,245,263,894    |
| Interest to Stockholders                         | 8                      | 1,061,905        |
| Adjustment for Gains or Losses                   | 3                      | 5,432,839        |
| Deductions Attributable to Subsidiary Capital    | 5                      | 2,633,038        |
| NYS Franchise Taxes                              | 314                    | 319,695,976      |
| Federal Safe Harbor Lease Deduction              | 0                      | 0                |
| Amount Required Except for Safe Harbor Lease     | 0                      | 0                |
| ACRS/MACRS Deduction                             | 43                     | 86,603,855       |
| Deduction from Federal Gross Income              | 14                     | 320,775,551      |
| Unearned Premiums Excluded                       | 285                    | 6,239,106,613    |
| Unpaid Losses Difference Preceding               | 287                    | 9,016,492,850    |
| Other Additions                                  | 39                     | 346,481,272      |
| Total Additions                                  | 429                    | 36,991,965,269   |
| Income from Subsidiary Capital                   | 43                     | 1,674,816,276    |
| 50% of Dividends                                 | 223                    | 737,969,948      |
| Gain on Installment Sales                        | 0                      | 0                |
| NY Net Operating Loss                            | 21                     | 183,205,205      |
| 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)         | 42                     | 80,331,820       |
| Amount in Federal Gross Income                   | 14                     | 310,923,602      |
| Unearned Premiums Included                       | 277                    | 6,756,837,222    |
| Unpaid Losses Difference Current                 | 286                    | 8,431,555,312    |
| Reduction of Loss Deduction                      | 256                    | 456,004,485      |
| Other Subtractions                               | 36                     | 77,529,244       |
| Total Subtractions                               | 374                    | 18,709,173,113   |
| Entire Net Income                                | 429                    | 18,280,116,080   |
| Allocated Entire Net Income                      | 429                    | 3,091,534,548    |
| Tax on Entire Net Income                         | 429                    | 262,584,404      |
| Allocated Subsidiary Capital                     | 53                     | 854,494,192      |
| Tax on Subsidiary Capital                        | 51                     | 683,593          |
| Life Insurance Premiums - Life                   | 91                     | 4,007,922,755    |
| Accident & Health Premiums - Life                | 73                     | 3,091,355,516    |
| Other Insurance Premiums - Life                  | 6                      | 41,461,014       |
| Life Insurance Company Premiums - Life           | 94                     | 7,140,739,286    |
| Tax on Life Company Premiums - Life              | 94                     | 49,985,175       |
| Accident & Health Company Premiums               | 39                     | 2,723,837,125    |
| Tax On Accident & Health Company Premiums        | 39                     | 27,238,372       |
| Other Nonlife Insurance Premiums                 | 280                    | 13,123,456,813   |
| Tax on Other Nonlife Premiums                    | 280                    | 170,604,923      |
| Tax Before Limitation                            | 429                    | 511,109,730      |
| Limitation on Tax-Life                           | 95                     | 147,964,254      |
| Limitation on Tax-Non-Life                       | 299                    | 383,009,267      |
| Tax Before Credits                               | 391                    | 388,231,947      |
| Tax Credits                                      | 154                    | 31,099,311       |
| Tax Due  | 389                    | 357,132,646      |

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

**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                | 263                         | (\$1,859,664,675) |
| Dividends Received Deduction                     | 72                          | 329,693,550       |
| Dividends or Interest Income Not Included        | 145                         | 460,353,915       |
| Interest to Stockholders                         | 4                           | 6,904,686         |
| Adjustment for Gains or Losses                   | 0                           | 0                 |
| Deductions Attributable to Subsidiary Capital    | 0                           | 0                 |
| NYS Franchise Taxes                              | 63                          | 20,390,337        |
| Federal Safe Harbor Lease Deduction              | 0                           | 0                 |
| Amount Required Except for Safe Harbor Lease     | 0                           | 0                 |
| ACRS/MACRS Deduction                             | 9                           | 5,684,641         |
| Deduction from Federal Gross Income              | 4                           | 137,123,618       |
| Unearned Premiums Excluded                       | 128                         | 1,242,150,231     |
| Unpaid Losses Difference Preceding               | 148                         | 4,177,669,860     |
| Other Additions                                  | 17                          | 138,458,874       |
| Total Additions                                  | 264                         | 4,658,765,050     |
| Income from Subsidiary Capital                   | 15                          | 214,317,729       |
| 50% of Dividends                                 | 57                          | 40,367,965        |
| Gain on Installment Sales                        | 0                           | 0                 |
| NY Net Operating Loss                            | 32                          | 4,379,357,840     |
| 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)         | 7                           | 3,203,017         |
| Amount in Federal Gross Income                   | 6                           | 48,889,282        |
| Unearned Premiums Included                       | 133                         | 1,205,068,887     |
| Unpaid Losses Difference Current                 | 136                         | 4,348,408,755     |
| Reduction of Loss Deduction                      | 124                         | 48,934,520        |
| Other Subtractions                               | 19                          | 18,445,741        |
| Total Subtractions                               | 206                         | 10,306,993,736    |
| Entire Net Income                                | 264                         | (5,648,228,678)   |
| Allocated Entire Net Income                      | 96                          | (4,456,598,485)   |
| Tax on Entire Net Income                         | 21                          | 1,652             |
| Allocated Subsidiary Capital                     | 17                          | 650,407,692       |
| Tax on Subsidiary Capital                        | 17                          | 520,326           |
| Life Insurance Premiums - Life                   | 6                           | 3,261,031         |
| Accident & Health Premiums - Life                | 5                           | 649,933           |
| Other Insurance Premiums - Life                  | d/                          | d/                |
| Life Insurance Company Premiums - Life           | 9                           | 3,911,764         |
| Tax on Life Company Premiums - Life              | 8                           | 27,411            |
| Accident & Health Company Premiums               | 5                           | 3,164,178         |
| Tax On Accident & Health Company Premiums        | 5                           | 31,642            |
| Other Nonlife Insurance Premiums                 | 88                          | 1,499,665,946     |
| Tax on Other Nonlife Premiums                    | 87                          | 19,495,656        |
| Tax Before Limitation                            | 276                         | 20,144,535        |
| Limitation on Tax-Life                           | 10                          | 711,062           |
| Limitation on Tax-Non-Life                       | 90                          | 41,252,047        |
| Tax Before Credits                               | 99                          | 19,897,898        |
| Tax Credits                                      | 30                          | 2,729,282         |
| Tax Due  | 98                          | 17,168,621        |

\*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 41: Selected Tax Return Items for Article 33 Alternative and Capital Base Filers\***

| Item   | Alternative and Capital Bases |                    |
|--|-------------------------------|--------------------|
|  | Number                        | Amount             |
| Federal Taxable Income Before NOL                | 302                           | (\$34,628,411,386) |
| Dividends Received Deduction                     | 196                           | 3,398,612,206      |
| Dividends or Interest Income Not Included        | 190                           | 3,486,463,041      |
| Interest to Stockholders                         | d/                            | d/                 |
| Adjustment for Gains or Losses                   | 8                             | (3,144,932)        |
| Deductions Attributable to Subsidiary Capital    | 4                             | 6,353,020          |
| NYS Franchise Taxes                              | 228                           | 157,658,718        |
| Federal Safe Harbor Lease Deduction              | 0                             | 0                  |
| Amount Required Except for Safe Harbor Lease     | 0                             | 0                  |
| ACRS/MACRS Deduction                             | 41                            | 791,040,660        |
| Deduction from Federal Gross Income              | 15                            | 130,912,668        |
| Unearned Premiums Excluded                       | 237                           | 10,658,894,034     |
| Unpaid Losses Difference Preceding               | 230                           | 22,194,100,273     |
| Other Additions                                  | 12                            | 41,340,694         |
| Total Additions                                  | 305                           | 6,258,233,167      |
| Income from Subsidiary Capital                   | 34                            | 1,977,542,245      |
| 50% of Dividends                                 | 156                           | 1,453,637,007      |
| Gain on Installment Sales                        | 0                             | 0                  |
| NY Net Operating Loss                            | 34                            | 736,054,026        |
| Amount Included as a Result of Safe Harbor Lease | 0                             | 0                  |
| Amount Deducted Except for a Safe Harbor Lease   | d/                            | d/                 |
| Depreciation Allowed Section 1503(b)(10)         | 37                            | 796,598,322        |
| Amount in Federal Gross Income                   | 14                            | 149,850,739        |
| Unearned Premiums Included                       | 231                           | 38,287,832,633     |
| Unpaid Losses Difference Current                 | 236                           | 24,027,814,137     |
| Reduction of Loss Deduction                      | 197                           | 620,906,207        |
| Other Subtractions                               | 22                            | 211,400,221        |
| Total Subtractions                               | 283                           | 68,261,689,938     |
| Entire Net Income                                | 298                           | (62,003,456,762)   |
| Allocated Entire Net Income                      | 297                           | (4,335,323,596)    |
| Tax on Entire Net Income                         | 47                            | 3,294,612          |
| Total Capital                                    | 308                           | 1,246,554,575,638  |
| Subsidiary Capital                               | 118                           | 72,347,406,819     |
| Business & Investment Capital                    | 308                           | 1,174,197,202,524  |
| Adjusted Business & Investment Capital           | 308                           | 229,311,941,408    |
| Allocated Business & Investment Capital          | 307                           | 24,478,427,640     |
| Tax on Business & Investment Capital Base        | 307                           | 39,165,473         |
| Alternative Tax Base                             | 217                           | (730,379,191)      |
| Tax on Alternative Base                          | 58                            | 4,663,811          |
| Allocated Subsidiary Capital                     | 59                            | 3,455,581,107      |
| Tax on Subsidiary Capital                        | 60                            | 2,764,468          |
| Life Insurance Premiums - Life                   | 48                            | 5,200,597,658      |
| Accident & Health Premiums - Life                | 37                            | 1,684,485,034      |
| Other Insurance Premiums - Life                  | d/                            | d/                 |
| Life Insurance Company Premiums - Life           | 51                            | 6,893,675,066      |
| Tax on Life Company Premiums - Life              | 51                            | 48,255,728         |
| Accident & Health Company Premiums               | 35                            | 444,680,314        |
| Tax on Accident & Health Company Premiums        | 34                            | 4,446,800          |

\*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 41: Selected Tax Return Items for Article 33 Alternative and Capital Base Filers ((Cont'd))\***

| <b>Item</b>                      | <b>Alternative and Capital Bases</b> |                    |
|----------------------------------|--------------------------------------|--------------------|
|                                  | <b>Number</b>                        | <b>Amount</b>      |
| Other Nonlife Insurance Premiums | 220                                  | \$10,196,418,881   |
| Tax on Other Nonlife Premiums    | 219                                  | 132,553,433        |
| Tax Before Limitation            | 308                                  | 228,337,714        |
| Limitation on Tax-Life           | 51                                   | 139,250,452        |
| Limitation on Tax-Non-Life       | 224                                  | 253,014,331        |
| Tax Before Credits               | 273                                  | 216,711,297        |
| Tax Credits                      | 131                                  | 35,939,561         |
| <b>Tax Due</b>                   | <b>270</b>                           | <b>180,771,743</b> |

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

| Item   | Life   |                   | Property & Casualty |                    | Others |                 |
|--|--------|-------------------|---------------------|--------------------|--------|-----------------|
|  | Number | Amount            | Number              | Amount             | Number | Amount          |
| Federal Taxable Income Before NOL                | 170    | (\$8,137,418,397) | 742                 | (\$14,992,688,109) | 78     | \$2,041,048,155 |
| Dividends Received Deduction                     | 106    | 1,830,797,717     | 382                 | 3,823,669,008      | 31     | 83,233,737      |
| Dividends or Interest Income Not Included        | 53     | 232,756,653       | 513                 | 6,060,565,344      | 56     | 898,758,853     |
| Interest to Stockholders                         | d/     | d/                | 8                   | 7,290,845          | 4      | 675,746         |
| Adjustment for Gains or Losses                   | 0      | 0                 | 10                  | (3,474,458)        | d/     | d/              |
| Deductions Attributed to Subsidiary Capital      | d/     | d/                | 5                   | 1,603,738          | d/     | d/              |
| NYS Franchise Taxes                              | 124    | 173,136,668       | 437                 | 287,037,765        | 44     | 37,570,598      |
| Federal Safe Harbor Lease Deduction              | 0      | 0                 | 0                   | 0                  | 0      | 0               |
| Amount Required Except for Safe Harbor Lease     | 0      | 0                 | 0                   | 0                  | 0      | 0               |
| ACRS/MACRS Deduction                             | 22     | 606,684,530       | 64                  | 262,919,783        | 7      | 13,724,843      |
| Deduction from Federal Gross Income              | d/     | d/                | 27                  | 563,745,729        | 4      | 14,914,395      |
| Unearned Premiums Excluded                       | 21     | 5,938,591         | 567                 | 16,833,076,802     | 62     | 1,301,135,485   |
| Unpaid Losses Difference Preceding               | 24     | 984,278,373       | 585                 | 34,156,887,348     | 56     | 247,097,262     |
| Other Additions                                  | 8      | 184,784,800       | 55                  | 315,125,574        | 5      | 26,370,466      |
| Total Additions                                  | 173    | (4,077,980,391)   | 747                 | 47,315,759,374     | 78     | 4,671,184,503   |
| Income from Subsidiary Capital                   | 30     | 1,098,638,683     | 55                  | 2,712,676,718      | 7      | 55,360,849      |
| 50% of Dividends                                 | 84     | 1,512,617,055     | 319                 | 690,534,061        | 33     | 28,823,804      |
| Gain on Installment Sales                        | 0      | 0                 | 0                   | 0                  | 0      | 0               |
| NY Net Operating Loss                            | 12     | 226,222,790       | 70                  | 5,013,661,338      | 5      | 58,732,943      |
| Amount Included as a Result of Safe Harbor Lease | 0      | 0                 | 0                   | 0                  | 0      | 0               |
| Amount Deducted Except for a Safe Harbor Lease   | 0      | 0                 | d/                  | d/                 | 0      | 0               |
| Depreciation Allowed Section 1503(b)(10)         | 20     | 626,829,103       | 59                  | 242,971,389        | 7      | 10,332,667      |
| Amount in Federal Gross Income                   | d/     | d/                | 30                  | 494,789,538        | d/     | d/              |
| Unearned Premiums Included                       | 21     | 29,148,650        | 557                 | 44,807,126,827     | 63     | 1,413,463,265   |
| Unpaid Losses Difference Current                 | 26     | 994,499,912       | 576                 | 35,647,433,117     | 56     | 165,845,175     |
| Reduction of Loss Deduction                      | 11     | 31,645,346        | 519                 | 989,103,475        | 47     | 105,096,391     |
| Other Subtractions                               | 6      | 156,294,690       | 67                  | 142,247,474        | 4      | 8,833,042       |
| Total Subtractions                               | 112    | 4,686,850,753     | 684                 | 90,740,598,338     | 67     | 1,850,407,696   |
| Entire Net Income                                | 172    | (8,764,831,145)   | 741                 | (43,427,515,022)   | 78     | 2,820,776,807   |
| Allocated Entire Net Income                      | 155    | (139,979,928)     | 599                 | (6,278,107,834)    | 68     | 717,700,229     |
| Tax on Entire Net Income                         | 113    | 97,056,911        | 327                 | 103,541,132        | 57     | 65,282,625      |
| Allocated Subsidiary Capital                     | 26     | 1,959,272,445     | 94                  | 2,752,792,642      | 9      | 248,417,904     |
| Tax on Subsidiary Capital                        | 25     | 1,567,416         | 94                  | 2,202,237          | 9      | 198,734         |
| Life Insurance Premiums - Life                   | 141    | 8,963,591,948     | 4                   | 248,189,496        | 0      | 0               |
| Accident & Health Premiums - Life                | 115    | 4,776,490,483     | 0                   | 0                  | 0      | 0               |
| Other Insurance Premiums - Life                  | 8      | 50,054,188        | 0                   | 0                  | 0      | 0               |
| Life Insurance Company Premiums - Life           | 150    | 13,790,136,620    | 4                   | 248,189,496        | 0      | 0               |
| Tax on Life Company Premiums - Life              | 149    | 96,530,988        | 4                   | 1,737,326          | 0      | 0               |
| Accident & Health Company Premiums               | d/     | d/                | 60                  | 561,129,364        | 18     | 2,606,068,871   |
| Tax on Accident & Health Company Premiums        | d/     | d/                | 59                  | 5,611,292          | 18     | 26,060,688      |
| Other Nonlife Insurance Premiums                 | d/     | d/                | 548                 | 23,259,474,360     | 39     | 1,518,048,714   |
| Tax on Other Nonlife Premiums                    | d/     | d/                | 546                 | 302,373,140        | 39     | 19,734,631      |
| Tax Before Limitation                            | 175    | 215,222,922       | 759                 | 431,957,198        | 79     | 112,411,859     |
| Limitation on Tax-Life                           | 152    | 282,961,978       | 4                   | 4,963,790          | 0      | 0               |
| Limitation on Tax-Non-Life                       | d/     | d/                | 554                 | 577,557,574        | 57     | 98,602,024      |
| Tax Before Credits                               | 152    | 165,254,636       | 554                 | 395,891,008        | 57     | 63,695,498      |
| Tax Credits                                      | 37     | 16,614,246        | 267                 | 50,249,201         | 11     | 2,904,707       |
| Tax Due  | 152    | 148,640,393       | 548                 | 345,641,826        | 57     | 60,790,791      |

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

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

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## Description of Terms and Data

### Liability Year

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 2001 liability year data used in this analysis encompasses tax years for calendar and fiscal year taxpayers with business operating years ending December 2001 through November 2002. All Article 9 taxpayers file on a calendar year basis.

### 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 2004 extended the MTA surcharge through taxable years ending before December 31, 2009.

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### Data Classification by Industry

Taxpayers are classified according to Principal Industry Activity (PIA)<sup>1</sup> and North American Industrial Classification System (NAICS) codes appropriate for their industry groups. Taxpayers self-report appropriate PIA or NAICS codes on their tax returns. These codes identify the general type of business activity in which the entity is engaged (e.g., construction, manufacturing, retail trade, or finance and insurance). However, taxpayers often fail to provide this information.

Industries are grouped by two-digit industry sectors and three and four-digit subsectors in this report. Only data from certain selected industry subsectors has been presented in this report. As a result, data presented in tables for subsectors may not necessarily add to the appropriate two-digit industry sector totals. NAICS coding expands into much more detail by going as far as the six-digit level. This can be highly specific by activity or product classification. For the purposes of this report, this level of detail is not required.

NAICS coding for New York tax returns began in 1998. Previously, industries had been classified using the Standard Industrial Classification (SIC) system. 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.

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

### Tax Liability

This represents the sum of the post-credit liability for all taxpayers filing a return. Tax liability data includes the tax on subsidiary capital and the fixed dollar minimum tax for subsidiaries of combined filers. It does not include the MTA surcharge. In some tables, total dollar amounts may not equal 100 percent due to rounding.

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### 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.

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

### Table Terms      Size of Liability

Table 9 classifies taxpayers according to the size of their tax liability. For non-minimum taxpayers, a wide range of liability groupings are displayed, from \$100-499 to \$1,000,000 and over. For fixed dollar minimum taxpayers, taxpayers are classified by minimum tax amount. The table includes those minimum taxpayers paying the \$300 maintenance fee for foreign corporations.

### Tax Return Items

Certain tables include data for selected items taken from tax returns filed by corporations. Data for each tax return item is given for basis of tax, industry group, return type, and fiscal period.

### Industry Group

Certain tables are classified by industry group as reported by NAICS industry code. There are a few caveats to be aware of:

- *Finance, Insurance, and Real Estate and Rental and Leasing*

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

- *Industry Code Not Given*

The terms "Industry Code Not Given" and "Not Classified" that appear in tables profiling corporations by industry, represent 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.

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- *Utilities/Transportation and Warehousing/Information*

These industry designations exclude public utilities, transportation companies, and telecommunications 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, alternative minimum taxable income, and the fixed dollar minimum. Certain tables also include data for S corporations, who are not subject to the capital or alternative minimum bases.

### “True” Minimum Taxpayers

Certain fixed dollar minimum taxpayers are classified as “true” minimum taxpayers. These taxpayers were liable only for the fixed dollar minimum tax of \$100 - \$1500, without subsidiary capital taxes. Tables 1-12 and D1-D2 include data for these taxpayers. Tables 13-20 do not, as income items are not verified for these taxpayers. For the 2001 report, true minimum taxpayers who allocate their income were reclassified as non-true minimum taxpayers. Because of this, data for the fixed dollar minimum tax will not match prior reports.

### Tax Liability

Tax liability data are compiled in the aggregate, by sector of industry. Data includes the respective shares that each sector of industry represents in relation to all taxpayers as well as the average liability per taxpayer for each sector. For the 2001 report, tax liability data in Tables 1-12 and D2, as well as corresponding charts, have been revised to include the fixed dollar minimum tax on subsidiaries. Because of this, data for tax liability may not match prior reports.

### Number of Taxpayers

This count refers to each filing entity as a single corporation, regardless of whether the corporation files a separate return or

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as part of a combined/consolidated group. 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.

Return Type

Return filed by taxpayers. Article 9-A tables include data for the CT-3, CT-3A, and CT-4 return types.

Fiscal Period

Taxpayers are classified by the last day of their fiscal year as reported for tax purposes.

Tax Credits

Information on Article 9-A tax credits is not provided in this report. For detailed information on these credits please see *Analysis of Article 9-A General Business Corporation Franchise Tax Credits for 2001*, published by the Office of Tax Policy Analysis.

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Article 9: Corporation and Utilities Tax

Table Terms

Tax Law Section

The following sections of Article 9 are included in this report:

Section 183 Franchise Tax on Transportation and Transmission Corporations and Associations

Section 184 Additional Franchise Tax on Transportation and Transmission Corporations and Associations

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

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Data Terms/  
Descriptions

Tax Liability

Tax liability data are shown in the aggregate, and for each selected tax section of Article 9. Because of revisions in data sources for the 2001 report, liability data for Sections 186-a and 186-e will not match prior reports.

Number of Taxpayers

Each taxpayer should be considered to represent a single filing entity, although the tax law allows for combination of taxpayers under Article 9. These data are shown in the aggregate, and for each selected tax section of Article 9.

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 hotel industry has been combined with the telephone and telegraph industry for Section 186-a because it charges customers for placing telephone calls<sup>2</sup>. Other categories have been combined for confidentiality reasons. The pipeline sales category has been combined with the electric & gas category for Sections 183 and 184, and the stock exchange category has been combined with miscellaneous/unidentified for Section 186-e taxpayers.

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Article 32: Franchise Tax on Banking Corporations

Table Terms

Tax Return Items

Certain tables include data for selected items taken from tax returns filed by banks. Data for each tax return item is given for basis of tax, bank type, and return type.

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.

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### Foreign Banks

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

### Savings Institutions

Savings institutions are depository financial institutions that receive deposits primarily from consumers, make mortgage and real estate loans, and invest in high-grade securities.

### Commercial Banks

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

## Data Terms/Descriptions

### Tax Liability

Tax liability data includes the respective shares of certain bank types in relation to total bank tax liability as well as the average liability per taxpayer for each bank type.

### Number of Taxpayers

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.

### 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.

### Fixed Dollar Minimum Taxpayers

All tables include “true” fixed dollar minimum taxpayers. These taxpayers were liable only for the fixed dollar minimum tax of \$250, without subsidiary capital taxes.

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Tax Credits  
Used in 2001

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.

Empire Zone and Zone Equivalent Area Credits

Taxpayers may qualify for credits for creating jobs and investing in Empire Zones (EZs) and Zone Equivalent Areas (ZEAs). Credits available include the EZ and ZEA Wage Tax Credits, which are based on employment increases in the zones and equivalent areas. Taxpayers may also claim the EZ Capital Tax Credit, which is based on investments in zone businesses. The credits may be carried forward indefinitely, and the wage tax credits are fifty percent refundable for new businesses.

Investment Tax Credit for Financial Services

A credit is allowed for equipment or buildings used in broker/dealer activity and related activities. Credit is effective for property placed in service from October 1, 1998 to September 30, 2008.

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.

Qualified Empire Zone Enterprise (QEZE) Tax Credits

Credits are available to taxpayers certified as Qualified Empire Zone Enterprises (QEZEs). QEZEs are business enterprises certified as Empire Zone businesses that meet an annual employment test. Available credits include the QEZE Tax Reduction Credit and the QEZE Real Property Tax Credit. These credits may be claimed for 15 years, and the Real Property Tax Credit is refundable.

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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.

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## Article 33: Franchise Tax on Insurance Corporations

### Table Terms

#### Tax Return Items

Certain tables include data for selected items taken from tax returns filed by insurers. Data for each tax return item is given for basis of tax and type of insurer.

#### Life Insurance Companies

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

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. Changes in bank ownership and filing patterns have resulted in a sharp decline in the number of savings banks filing under Article 33. Because of this, the category of savings banks is no longer separately reported. Data for these taxpayers is now presented under the category of life insurers.

#### 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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### Others

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

### Data Terms/Descriptions Fixed Dollar Minimum Taxpayers

All tables include “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.

### Tax Liability

Tax liability is shown both before and after the application of the limitation on gross premiums and application of credits. The data also includes the respective shares of each category of insurance companies in relation to total insurance tax liability.

### 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.

### 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.

### Income Base Tax

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

Tax Credits  
Used in 2001

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Premiums Base

The “Premiums Base” category in applicable tables includes data from the separate tax on premiums.

Limitation on Tax

Article 33 provides a “cap,” or limitation, on total tax liability which equals 2.4 percent of taxable premiums for non-life insurance companies and 2.0 percent of taxable premiums for life insurance companies.

Credit for Investment in Certified Capital Companies

Taxpayers may claim a credit for 100 percent of investments in Certified Capital Companies (CAPCOs). CAPCOs are for-profit venture capital firms that invest directly in small-to-mid-size businesses. The credit is claimed at a rate of 10 percent per year over a ten year period.

Fire Insurance Premiums 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.

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.

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### Empire Zone and Zone Equivalent Area Credits

Taxpayers may qualify for credits for creating jobs and investing in Empire Zones (EZs) and Zone Equivalent Areas (ZEAs). Credits available include the EZ and ZEA Wage Tax Credits, which are based on employment increases in the zones and equivalent areas. Taxpayers may also claim the EZ Capital Tax Credit, which is based on investments in zone businesses. The credits may be carried forward indefinitely, and the wage tax credits are fifty percent refundable for new businesses.

EZ/ZEA tax credits must be taken before the limitation is applied. All other credits may be applied against the tax due after the limitation.

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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. 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 calculation check necessary for verifying tax liability. However, these 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.

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### *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 of the report come from the Article 33 Office of Tax Policy Analysis (OTPA) Study File. This study file includes data collected from Article 33 insurance 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.

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# Endnotes

1. The Internal Revenue Service (IRS) asks taxpayers to identify their principal business activity using these codes for federal tax purposes.
2. 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.

# Appendix B: Tax Rate Changes in 2000 and 2001

Appendix B lists the changes in business tax rates effective in 2000 and 2001. The tables are organized by business tax type. There were nineteen rate changes effective in business taxes in these two years.

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

**Table B1: Reduction in Rate of Tax on Entire Net Income for Article 9-A Taxpayers**

|   |      |
|---|------|
| Rate for taxable years beginning on or after July 1, 1999 but before July 1, 2000 | 8.5% |
| Rate for taxable years beginning on or after July 1, 2000 but before July 1, 2001 | 8%   |
| Rate for taxable years beginning on or after July 1, 2001                         | 7.5% |

**Table B2: Reduction in Rate of Tax on Entire Net Income for Small Business Taxpayers**

| Gross Payroll                                   | Rate for Taxable Years Beginning After June 30, 1999 and Before July 1, 2000   | Rate for Taxable Years Beginning After June 30, 2000 and Before July 1, 2001   | Rate for Taxable Years Beginning After June 30, 2001 |
|---|--|--|--|
| More than \$200,000 but not more than \$290,000 | \$15,000, plus 8.5% of amount over \$200,000, plus 5% of amount over \$250,000 | \$15,000, plus 8% of amount over \$200,000, plus 2.5% of amount over \$250,000 | 7.5%   |

**Table B3: Reduction in Differential Rate of Tax on Entire Net Income for S Corporations**

|   |        |
|---|--------|
| Rate for taxable years beginning on or after July 1, 1999 but before July 1, 2000 | 7.525% |
| Rate for taxable years beginning on or after July 1, 2000 but before July 1, 2001 | 7.175% |
| Rate for taxable years beginning on or after July 1, 2001 but before July 1, 2003 | 6.85%  |

**Table B4: Reduction in Rate of Alternative Minimum Tax for Article 9-A Taxpayers**

|   |      |
|---|------|
| Rate for taxable years beginning on or after July 1, 1999 but before July 1, 2000 | 3%   |
| Rate for taxable years beginning on or after July 1, 2000                         | 2.5% |

Article 9: Corporation  
and Utilities Tax

**Table B5: Reduction in Rate of Tax Under Section 186-a of Article 9**

|   | Tax on Gross   |   |                                     |
|---|--|---|-------------------------------------|
|   | Income-Receipts<br>from Transportation<br>and Distribution | Tax on Gross<br>Income-Receipts from<br>Commodities Charges | Tax on Gross<br>Operating<br>Income |
| Rate for taxable years beginning<br>before January 1, 2000      | 3.25%  | 3.25%   | 3.25%                               |
| Rate for taxable years beginning<br>on or after January 1, 2000 | 2.5%   | 2.1%  | 2.1%                                |
| Rate for taxable years beginning<br>on or after January 1, 2001 | 2.45%  | 2.0%  | 2.0%                                |

Article 32:  
Franchise Tax  
on Banking  
Corporations

**Table B9: Reduction in Rate of Tax on Entire Net Income for Article 32 Taxpayers**

|   |      |
|---|------|
| Rate for taxable years beginning before July 1, 2000                              | 9%   |
| Rate for taxable years beginning on or after July 1, 2000 but before July 1, 2001 | 8.5% |
| Rate for taxable years beginning on or after July 1, 2001 but before July 1, 2002 | 8%   |

Article 33:  
Franchise Tax  
on Insurance  
Corporations

**Table B10: Reduction in Rate of Tax on Entire Net Income for Article 33 Taxpayers**

|   |      |
|---|------|
| Rate for taxable years beginning before July 1, 2000                              | 9%   |
| Rate for taxable years beginning on or after July 1, 2000 but before July 1, 2001 | 8.5% |
| Rate for taxable years beginning on or after July 1, 2001 but before July 1, 2002 | 8%   |

**Table B11: Reduction in the Limitation on Premiums for Non-life Insurers Under Article 33**

|   |      |
|---|------|
| Limitation for taxable years prior to July 1, 2000                                      | 2.6% |
| Limitation for taxable years beginning on or after July 1, 2000 but before July 1, 2001 | 2.4% |
| Limitation for taxable years beginning on or after July 1, 2001 but before July 1, 2002 | 2.2% |

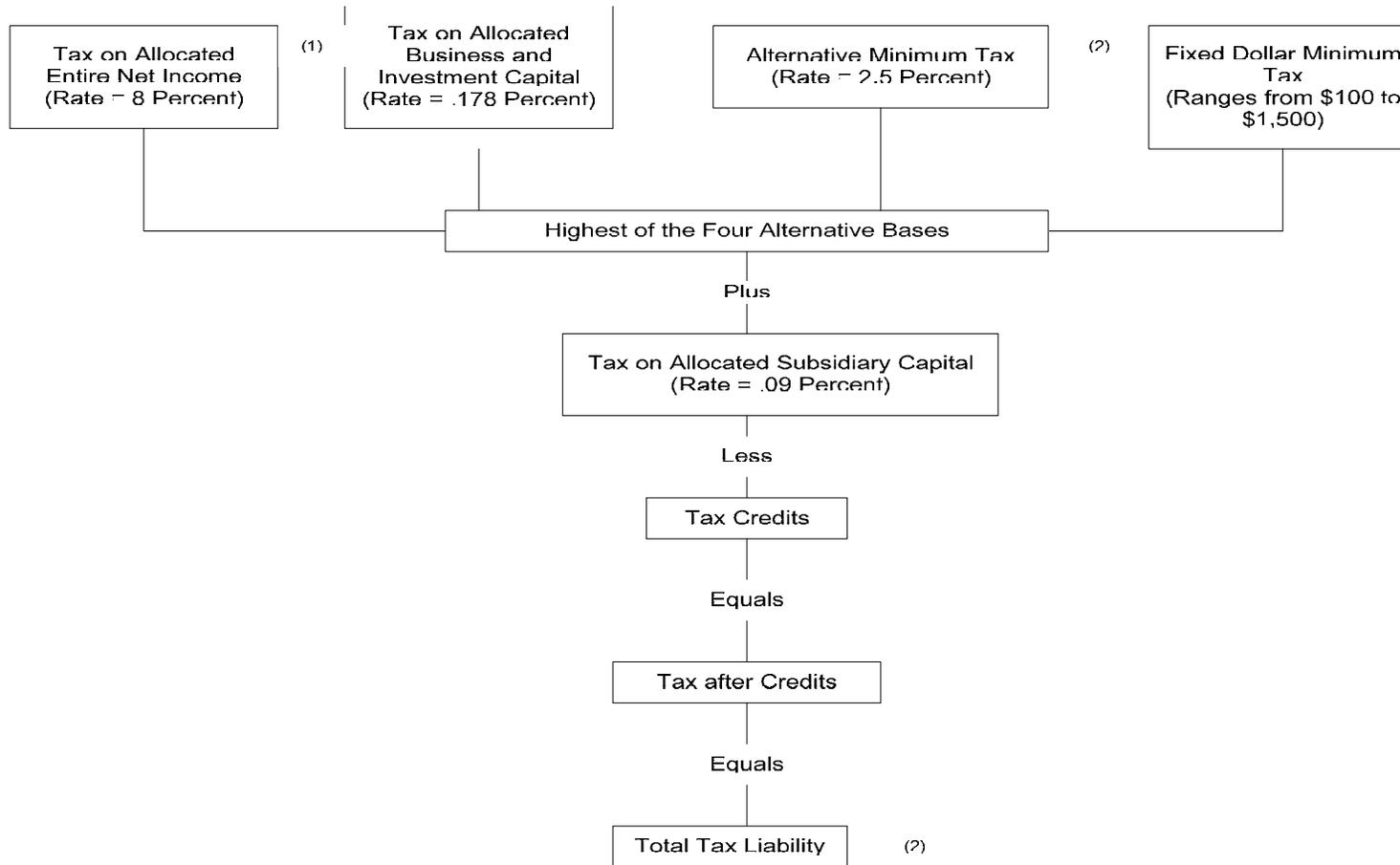
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# Appendix C: Descriptive Charts of the Calculation of Tax Liability for Articles 9-A, 32 and 33

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Appendix C contains descriptive charts of the calculation of tax liability for Articles 9-A, 32 and 33. The charts (except where noted) reflect the Tax Law as of January 1, 2001. 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.

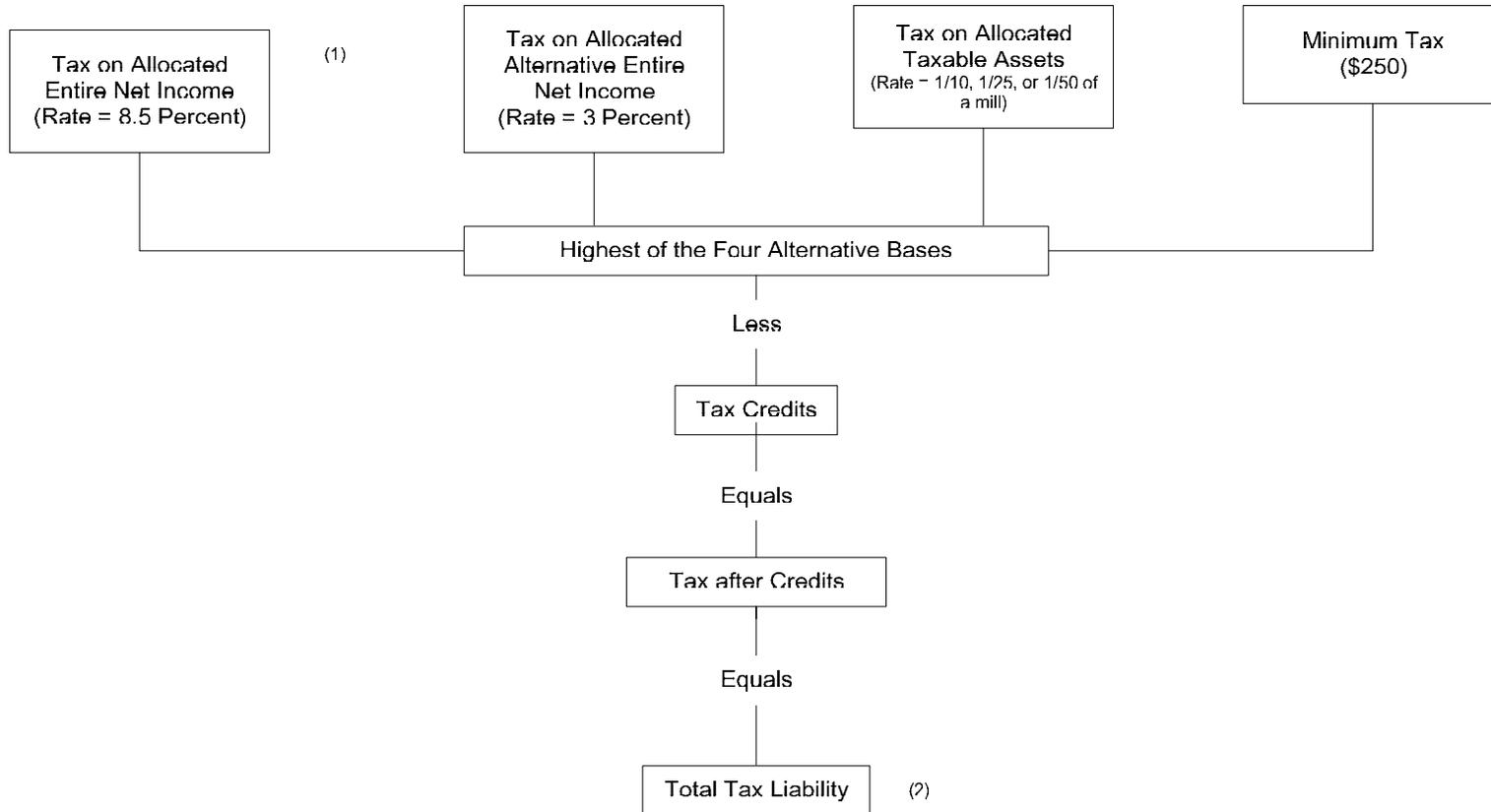
## Corporation Franchise Tax on General Business Corporations Article 9-A 2001



(1) The tax rate on Entire Net Income is reduced from 8 to 7.5 percent for tax years beginning after 6/30/01.

(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.

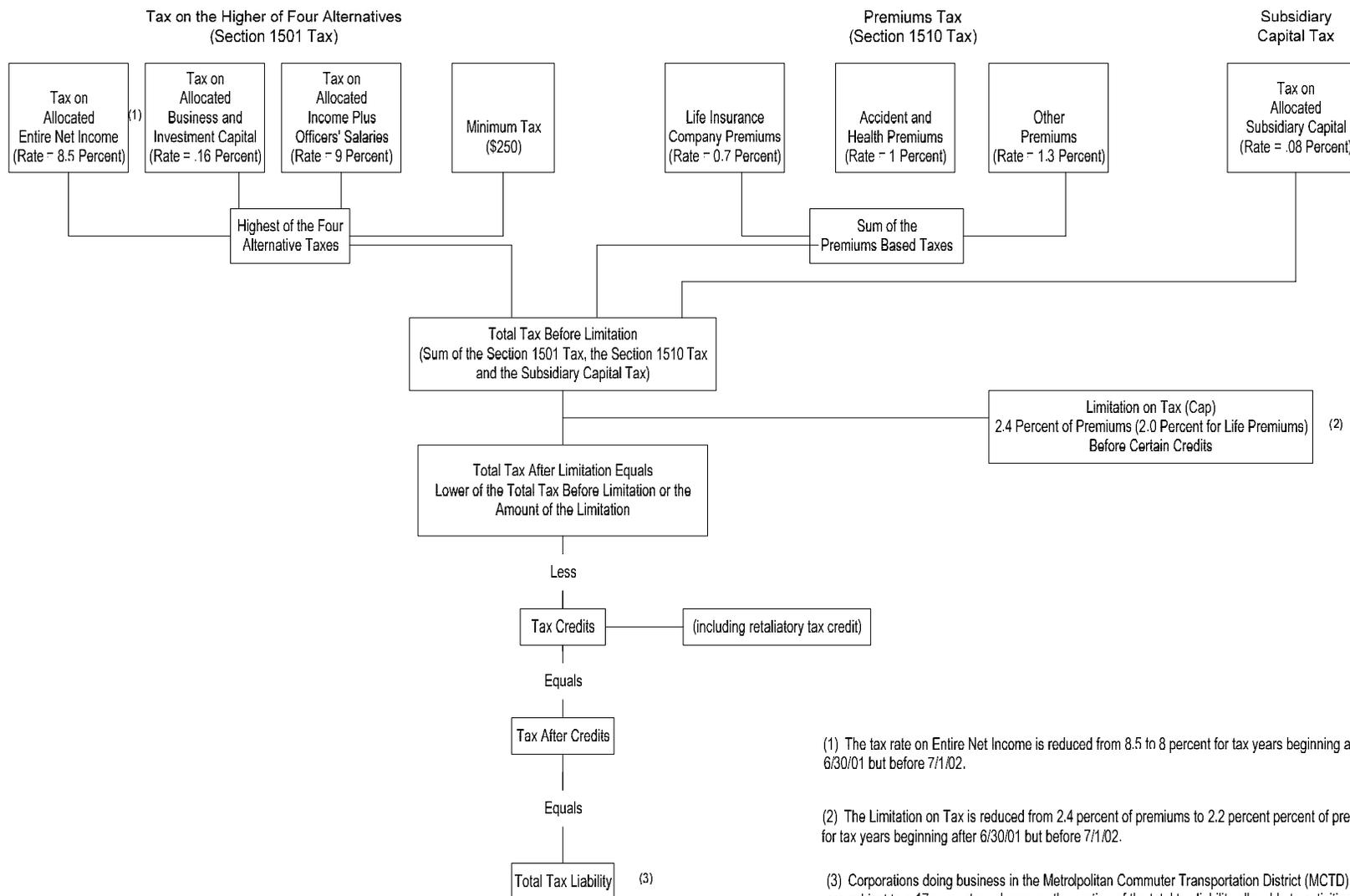
## Corporation Franchise Tax on Banking Corporations Article 32 2001



(1) The tax rate on Entire Net Income is reduced from 8.5 to 8 percent for tax years beginning after 6/30/01 but before 7/1/02.

(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 Insurance Companies Article 33 2001



(1) The tax rate on Entire Net Income is reduced from 8.5 to 8 percent for tax years beginning after 6/30/01 but before 7/1/02.

(2) The Limitation on Tax is reduced from 2.4 percent of premiums to 2.2 percent percent of premiums for tax years beginning after 6/30/01 but before 7/1/02.

(3) 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 1997-2001 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.

**Table D1: Distribution of C Corporation Taxpayers by Industry - 1997-2001**

| Industry                                       | Number of Taxpayers |                |                |                |                |
|--|---------------------|----------------|----------------|----------------|----------------|
|  | 1997                | 1998           | 1999           | 2000           | 2001           |
| Agriculture                                    | 1,398               | 1,122          | 1,149          | 1,139          | 1,146          |
| Mining   | 502                 | 424            | 421            | 436            | 412            |
| Contract Construction                          | 15,598              | 17,423         | 18,613         | 18,862         | 19,193         |
| Manufacturing                                  | 20,242              | 17,057         | 17,074         | 16,281         | 15,646         |
| Transportation/Communications/Public Utilities | 8,031               | 19,919         | 19,058         | 17,597         | 17,331         |
| Wholesale Trade (Durable)                      | 13,489              | 13,270         | 13,771         | 13,372         | 13,340         |
| Wholesale Trade (Nondurable)                   | 11,648              | 12,493         | 12,123         | 11,727         | 11,666         |
| Retail Trade                                   | 33,178              | 27,058         | 27,930         | 27,598         | 27,715         |
| Finance Insurance and Real Estate              | 49,895              | 47,410         | 52,846         | 52,647         | 52,641         |
| Services                                       | 70,772              | 73,790         | 79,109         | 80,393         | 81,223         |
| Not Classified                                 | 29,711              | 29,127         | 17,867         | 25,824         | 20,833         |
| <b>Total</b>                                   | <b>254,464</b>      | <b>259,093</b> | <b>259,961</b> | <b>265,876</b> | <b>261,146</b> |

**Table D2: Distribution of C Corporation Liability by Industry - 1997-2001**

| Industry                                       | Tax Liability          |                        |                        |                        |                        | Share of Total Tax Liability (%) |               |
|--|------------------------|------------------------|------------------------|------------------------|------------------------|----------------------------------|---------------|
|  | 1997                   | 1998                   | 1999                   | 2000                   | 2001                   | 2000                             | 2001          |
| Agriculture                                    | \$1,826,369            | \$1,919,663            | \$1,662,980            | \$1,544,257            | \$1,202,157            | 0.1%                             | 0.1%          |
| Mining   | 4,373,604              | 4,068,206              | 3,663,376              | 2,561,506              | 1,887,507              | 0.2%                             | 0.2%          |
| Contract Construction                          | 35,756,186             | 37,618,838             | 43,481,967             | 48,204,858             | 41,964,711             | 3.0%                             | 3.3%          |
| Manufacturing                                  | 388,471,210            | 309,013,540            | 320,396,268            | 325,454,150            | 211,634,501            | 20.5%                            | 16.6%         |
| Transportation/Communications/Public Utilities | 55,776,318             | 154,460,683            | 176,083,313            | 193,079,120            | 198,529,842            | 12.2%                            | 15.5%         |
| Wholesale Trade (Durable)                      | 87,449,469             | 80,051,857             | 91,195,577             | 90,019,807             | 62,357,929             | 5.7%                             | 4.9%          |
| Wholesale Trade (Nondurable)                   | 62,253,562             | 68,399,066             | 64,806,990             | 69,384,286             | 51,093,621             | 4.4%                             | 4.0%          |
| Retail Trade                                   | 104,865,508            | 121,538,002            | 138,757,969            | 132,442,969            | 104,242,151            | 8.4%                             | 8.2%          |
| Finance Insurance and Real Estate              | 454,828,783            | 326,652,510            | 426,167,672            | 359,579,170            | 342,486,615            | 22.7%                            | 26.8%         |
| Services                                       | 301,559,302            | 317,721,244            | 344,935,850            | 358,528,037            | 257,965,301            | 22.6%                            | 20.2%         |
| Not Classified                                 | 11,495,946             | 11,271,745             | 4,041,186              | 5,237,495              | 4,012,415              | 0.3%                             | 0.3%          |
| <b>Total</b>                                   | <b>\$1,508,656,257</b> | <b>\$1,432,715,354</b> | <b>\$1,615,193,148</b> | <b>\$1,586,035,655</b> | <b>\$1,277,376,750</b> | <b>100.0%</b>                    | <b>100.0%</b> |

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

|                                     | 1997         | 1998         | 1999         | 2000         | 2001         |
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|
| Pipeline (Transport)/Electric & Gas | 13           | 8            | 20           | 8            | 8            |
| Telephone & Telegraph               | 360          | 381          | 441          | 375          | 288          |
| Trucking *                          | 1,385        | 1,338        | 1,348        | 1,200        | 1,120        |
| Railroad                            | 46           | 44           | 42           | 41           | 42           |
| Water Transportation                | 91           | 147          | 146          | 144          | 144          |
| Miscellaneous                       | 485          | 426          | 388          | 380          | 435          |
| <b>Total</b>                        | <b>2,380</b> | <b>2,344</b> | <b>2,385</b> | <b>2,148</b> | <b>2,037</b> |

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

|                                     | 1997                | 1998                | 1999                | 2000                | 2001                |
|-------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Pipeline (Transport)/Electric & Gas | \$608,476           | \$477,695           | \$614,035           | \$12,085            | \$10,699            |
| Telephone & Telegraph               | 33,287,179          | 31,589,717          | 26,993,696          | 21,284,079          | 22,164,108          |
| Trucking *                          | 224,979             | 277,414             | 256,243             | 257,832             | 241,625             |
| Railroad                            | 712,716             | 757,070             | 1,093,353           | 1,205,355           | 1,488,726           |
| Water Transportation                | 417,977             | 1,032,250           | 1,031,255           | 963,045             | 1,514,123           |
| Miscellaneous                       | 840,849             | 769,017             | 1,504,832           | 1,868,494           | 850,472             |
| <b>Total</b>                        | <b>\$36,092,176</b> | <b>\$34,903,163</b> | <b>\$31,493,414</b> | <b>\$25,590,890</b> | <b>\$26,269,753</b> |

\* The tax under Section 183 is paid in advance. The 1998 tax law changes for trucking companies would therefore be reflected in 1997 numbers

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

|                                     | 1997         | 1998         | 1999         | 2000         | 2001         |
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|
| Pipeline (Transport)/Electric & Gas | 17           | 11           | 20           | 6            | 5            |
| Telephone & Telegraph               | 216          | 221          | 228          | 216          | 173          |
| Trucking                            | 4,228        | 1,702        | 1,344        | 1,190        | 1,106        |
| Railroad                            | 102          | 47           | 42           | 41           | 41           |
| Water Transportation                | 90           | 148          | 138          | 137          | 133          |
| Miscellaneous                       | 1,275        | 478          | 381          | 346          | 372          |
| <b>Total</b>                        | <b>5,928</b> | <b>2,607</b> | <b>2,153</b> | <b>1,936</b> | <b>1,830</b> |

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

|                                     | 1997                | 1998                | 1999                | 2000                | 2001                |
|-------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Pipeline (Transport)/Electric & Gas | \$487,823           | \$231,213           | \$1,294,007         | \$25,956            | \$14,980            |
| Telephone & Telegraph               | 72,703,442          | 79,375,475          | 87,501,765          | 68,006,854          | 47,988,484          |
| Trucking                            | 20,306,682          | 3,036,970           | 2,497,268           | 2,062,426           | 1,521,893           |
| Railroad                            | 519,427             | 219,328             | 160,552             | 512,121             | 339,789             |
| Water Transportation                | 826,247             | 1,092,883           | 1,114,101           | 968,123             | 581,574             |
| Miscellaneous                       | 3,752,989           | 2,664,070           | 2,214,387           | 5,225,030           | 1,397,290           |
| <b>Total</b>                        | <b>\$98,596,610</b> | <b>\$86,619,939</b> | <b>\$94,782,080</b> | <b>\$76,800,510</b> | <b>\$51,844,010</b> |

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

|                            | 1997       | 1998       | 1999       | 2000      | 2001      |
|----------------------------|------------|------------|------------|-----------|-----------|
| Electric & Gas             | 64         | 81         | 78         | 28        | 16        |
| Gas Only                   | 50         | 52         | 60         | 11        | d/        |
| Water                      | 93         | 98         | 106        | 27        | 9         |
| Miscellaneous/Unidentified | 107        | 124        | 80         | 26        | d/        |
| <b>Total</b>               | <b>314</b> | <b>355</b> | <b>324</b> | <b>92</b> | <b>32</b> |

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

|                            | 1997                 | 1998                 | 1999                 | 2000                | 2001                |
|----------------------------|----------------------|----------------------|----------------------|---------------------|---------------------|
| Electric & Gas             | \$156,311,069        | \$171,083,856        | \$154,674,662        | \$18,949,616        | \$18,636,498        |
| Gas Only                   | 7,294,884            | 10,528,282           | 23,761,245           | 54,459              | d/                  |
| Water                      | 865,200              | 1,291,597            | 1,292,068            | 12,377              | 2,281               |
| Miscellaneous/Unidentified | 30,771,846           | 4,906,904            | 5,323,029            | 64,729              | d/                  |
| <b>Total</b>               | <b>\$195,242,999</b> | <b>\$187,810,639</b> | <b>\$185,051,004</b> | <b>\$19,081,181</b> | <b>\$18,644,471</b> |

\* Section 186 is repealed for tax years beginning on or after January 1, 2000.

Certain taxpayers elected to remain subject to tax under Section 186 until their existing contracts expire.

d/ Tax Law provisions prohibit disclosure of data.

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

|                | 1997       | 1998       | 1999       | 2000       | 2001       |
|----------------|------------|------------|------------|------------|------------|
| Electric & Gas | 60         | 61         | 72         | 55         | 64         |
| Gas Only       | 36         | 37         | 42         | 33         | 29         |
| Water          | 89         | 89         | 90         | 87         | 86         |
| Real Estate    | 28         | 29         | 26         | 22         | 16         |
| Miscellaneous  | 585        | 523        | 219        | 154        | 151        |
| <b>Total</b>   | <b>798</b> | <b>739</b> | <b>449</b> | <b>351</b> | <b>346</b> |

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

|                | 1997                 | 1998                 | 1999                 | 2000                 | 2001                 |
|----------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Electric & Gas | \$604,013,911        | \$583,442,017        | \$474,980,215        | \$319,405,378        | \$378,744,161        |
| Gas Only       | 70,600,967           | 29,503,300           | 75,712,099           | 64,933,519           | 31,110,089           |
| Water          | 3,340,972            | 4,752,973            | 4,533,259            | 2,847,939            | 3,042,439            |
| Real Estate    | 581,542              | 345,901              | 92,042               | 73,524               | 53,566               |
| Miscellaneous  | 14,863,499           | 10,710,881           | 8,012,025            | 15,684,295           | 7,014,222            |
| <b>Total</b>   | <b>\$693,400,891</b> | <b>\$628,755,072</b> | <b>\$563,329,640</b> | <b>\$402,944,655</b> | <b>\$419,964,477</b> |

\*Historical data has been revised due to revisions in data sources.

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

|                            | 1997         | 1998         | 1999         | 2000         | 2001         |
|----------------------------|--------------|--------------|--------------|--------------|--------------|
| Telephones                 | 412          | 408          | 426          | 568          | 569          |
| Hotels                     | 153          | 171          | 173          | 169          | 212          |
| Real Estate                | 8            | 15           | 14           | 13           | 14           |
| Miscellaneous/Unidentified | 575          | 591          | 586          | 441          | 442          |
| <b>Total</b>               | <b>1,148</b> | <b>1,185</b> | <b>1,199</b> | <b>1,191</b> | <b>1,237</b> |

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

|                            | 1997                 | 1998                 | 1999                 | 2000                 | 2001                 |
|----------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Telephones                 | \$505,593,803        | \$530,551,506        | \$542,757,465        | \$451,984,203        | \$449,393,746        |
| Hotels                     | 359,572              | 356,387              | 340,743              | 309,321              | 611,585              |
| Real Estate                | 43,457               | 147,263              | 230,365              | 201,812              | 228,444              |
| Miscellaneous/Unidentified | 10,034,025           | 15,195,507           | 15,111,652           | 7,610,666            | 2,855,845            |
| <b>Total</b>               | <b>\$516,030,857</b> | <b>\$546,250,663</b> | <b>\$558,440,225</b> | <b>\$460,106,002</b> | <b>\$453,089,620</b> |

\*Historical data has been revised due to revisions in data sources.

**Table D13: Number and Total Tax Liability of Article 32 Taxpayers - 1997-2001**

| <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> |
|-----------------|----------------------------|----------------------------|----------------------------|----------------------------|
| 1997            | Clearinghouse & Commercial | 417                        | \$439,329,018              | 68.2%                      |
|                 | Foreign                    | 301                        | 177,281,500                | 27.5%                      |
|                 | Savings Institutions       | 88                         | 27,964,804                 | 4.3%                       |
|                 | <b>All Banks</b>           | <b>806</b>                 | <b>\$644,575,322</b>       | <b>100.0%</b>              |
| 1998            | Clearinghouse & Commercial | 469                        | \$319,172,580              | 59.7%                      |
|                 | Foreign                    | 288                        | 189,579,425                | 35.5%                      |
|                 | Savings Institutions       | 98                         | 25,578,671                 | 4.8%                       |
|                 | <b>All Banks</b>           | <b>855</b>                 | <b>\$534,330,676</b>       | <b>100.0%</b>              |
| 1999            | Clearinghouse & Commercial | 556                        | \$347,569,049              | 65.7%                      |
|                 | Foreign                    | 263                        | 160,686,235                | 30.4%                      |
|                 | Savings Institutions       | 104                        | 20,764,907                 | 3.9%                       |
|                 | <b>All Banks</b>           | <b>923</b>                 | <b>\$529,020,191</b>       | <b>100.0%</b>              |
| 2000            | Clearinghouse & Commercial | 481                        | \$242,691,777              | 53.0%                      |
|                 | Foreign                    | 246                        | 182,866,429                | 39.9%                      |
|                 | Savings Institutions       | 99                         | 32,267,212                 | 7.0%                       |
|                 | <b>All Banks</b>           | <b>826</b>                 | <b>\$457,825,418</b>       | <b>100.0%</b>              |
| 2001            | Clearinghouse & Commercial | 472                        | \$248,321,358              | 53.9%                      |
|                 | Foreign                    | 232                        | 190,674,086                | 41.4%                      |
|                 | Savings Institutions       | 87                         | 22,178,927                 | 4.8%                       |
|                 | <b>All Banks</b>           | <b>791</b>                 | <b>\$461,174,371</b>       | <b>100.0%</b>              |

**Table D14: Distribution of Article 32 Tax Liability by Basis of Tax - 1997-2001**

| Tax Year | Type of Bank               | Income Base         |                      | Alternative Base    |                      | Minimum Tax         |                  |
|----------|----------------------------|---------------------|----------------------|---------------------|----------------------|---------------------|------------------|
|          |                            | Number of Taxpayers | Liability            | Number of Taxpayers | Liability            | Number of Taxpayers | Liability        |
| 1997     | Clearinghouse & Commercial | 265                 | \$410,214,600        | 76                  | \$29,082,418         | 76                  | \$32,000         |
|          | Foreign                    | 110                 | 136,744,971          | 147                 | 40,525,529           | 44                  | 11,000           |
|          | Savings Institutions       | 69                  | 26,473,507           | 7                   | 1,484,797            | 12                  | 6,500            |
|          | <b>All Banks</b>           | <b>444</b>          | <b>\$573,433,078</b> | <b>230</b>          | <b>\$71,092,744</b>  | <b>132</b>          | <b>\$49,500</b>  |
| 1998     | Clearinghouse & Commercial | 251                 | \$277,865,658        | 97                  | \$41,253,922         | 121                 | \$53,000         |
|          | Foreign                    | 109                 | 154,490,997          | 145                 | 35,079,928           | 34                  | 8,500            |
|          | Savings Institutions       | 60                  | 23,149,066           | 12                  | 2,415,355            | 26                  | 14,250           |
|          | <b>All Banks</b>           | <b>420</b>          | <b>\$455,505,721</b> | <b>254</b>          | <b>\$78,749,205</b>  | <b>181</b>          | <b>\$75,750</b>  |
| 1999     | Clearinghouse & Commercial | 254                 | \$264,752,059        | 102                 | \$82,608,074         | 200                 | \$208,916        |
|          | Foreign                    | 100                 | 131,154,462          | 135                 | 29,524,773           | 28                  | 7,000            |
|          | Savings Institutions       | 51                  | 14,671,764           | 22                  | 6,083,393            | 31                  | 9,750            |
|          | <b>All Banks</b>           | <b>405</b>          | <b>\$410,578,285</b> | <b>259</b>          | <b>\$118,216,240</b> | <b>259</b>          | <b>\$225,666</b> |
| 2000     | Clearinghouse & Commercial | 244                 | \$194,009,872        | 107                 | \$48,635,605         | 130                 | \$46,300         |
|          | Foreign                    | 99                  | 149,761,036          | 114                 | 33,095,643           | 33                  | 9,750            |
|          | Savings Institutions       | 58                  | 25,786,663           | 17                  | 6,470,799            | 24                  | 9,750            |
|          | <b>All Banks</b>           | <b>401</b>          | <b>\$369,557,571</b> | <b>238</b>          | <b>\$88,202,047</b>  | <b>187</b>          | <b>\$65,800</b>  |
| 2001     | Clearinghouse & Commercial | 237                 | \$173,951,655        | 108                 | \$74,319,953         | 127                 | \$49,750         |
|          | Foreign                    | 73                  | 147,721,896          | 123                 | 42,943,190           | 36                  | 9,000            |
|          | Savings Institutions       | 45                  | 16,583,009           | 15                  | 5,584,418            | 27                  | 11,500           |
|          | <b>All Banks</b>           | <b>355</b>          | <b>\$338,256,560</b> | <b>246</b>          | <b>\$122,847,561</b> | <b>190</b>          | <b>\$70,250</b>  |

**Table D15: Allocated Entire Net Income Under Article 32 - 1997-2001**

| 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) |
| 1997     | Clearinghouse & Commercial | 317                    | 4,903,976            | 15,470                 | 100                    | (540,655)            | (5,407)                |
|          | Foreign                    | 175                    | 1,574,456            | 8,997                  | 126                    | (773,416)            | (6,138)                |
|          | Savings Institutions       | 76                     | 334,066              | 4,396                  | 12                     | (123,394)            | (10,283)               |
|          | <b>All Banks</b>           | <b>568</b>             | <b>6,812,497</b>     | <b>11,994</b>          | <b>238</b>             | <b>(1,437,465)</b>   | <b>(6,040)</b>         |
| 1998     | Clearinghouse & Commercial | 346                    | 3,434,756            | 9,927                  | 123                    | (1,304,395)          | (10,605)               |
|          | Foreign                    | 167                    | 1,777,347            | 10,643                 | 121                    | (1,278,046)          | (10,562)               |
|          | Savings Institutions       | 86                     | 326,667              | 3,798                  | 12                     | (100,394)            | (8,366)                |
|          | <b>All Banks</b>           | <b>599</b>             | <b>5,538,770</b>     | <b>9,247</b>           | <b>256</b>             | <b>(2,682,835)</b>   | <b>(10,480)</b>        |
| 1999     | Clearinghouse & Commercial | 425                    | 3,259,006            | 7,668                  | 131                    | (1,017,947)          | (7,771)                |
|          | Foreign                    | 138                    | 1,529,733            | 11,085                 | 125                    | (1,641,879)          | (13,135)               |
|          | Savings Institutions       | 82                     | 231,463              | 2,823                  | 22                     | (199,675)            | (9,076)                |
|          | <b>All Banks</b>           | <b>645</b>             | <b>5,020,202</b>     | <b>7,783</b>           | <b>278</b>             | <b>(2,859,501)</b>   | <b>(10,286)</b>        |
| 2000     | Clearinghouse & Commercial | 347                    | 2,476,481            | 7,137                  | 134                    | (1,576,960)          | (11,768)               |
|          | Foreign                    | 145                    | 1,734,907            | 11,965                 | 101                    | (706,643)            | (6,996)                |
|          | Savings Institutions       | 81                     | 357,347              | 4,412                  | 18                     | (1,292,450)          | (71,803)               |
|          | <b>All Banks</b>           | <b>573</b>             | <b>4,568,735</b>     | <b>7,973</b>           | <b>253</b>             | <b>(3,576,053)</b>   | <b>(14,135)</b>        |
| 2001     | Clearinghouse & Commercial | 338                    | 2,783,854            | 8,236                  | 134                    | (1,222,016)          | (9,120)                |
|          | Foreign                    | 107                    | 1,801,995            | 16,841                 | 125                    | (1,692,860)          | (13,543)               |
|          | Savings Institutions       | 67                     | 288,634              | 4,308                  | 20                     | (3,020,571)          | (151,029)              |
|          | <b>All Banks</b>           | <b>512</b>             | <b>4,874,483</b>     | <b>9,520</b>           | <b>279</b>             | <b>(5,935,448)</b>   | <b>(21,274)</b>        |

**Table D16: Credits Used by Article 32 Taxpayers - 1997-2001**

| <b>Credit</b>                                 | <b>Number of Credit Users</b> |             |             |             |             |
|---|-------------------------------|-------------|-------------|-------------|-------------|
|   | <b>1997</b>                   | <b>1998</b> | <b>1999</b> | <b>2000</b> | <b>2001</b> |
| Mortgage Recording Tax Credit                 | 123                           | 127         | 117         | 117         | 108         |
| Mortgage Servicing Credit                     | 47                            | 36          | 35          | 35          | 33          |
| Investment Tax Credit for Financial Services* | NA                            | 20          | 24          | 25          | 31          |
| EZ/ZEA Tax Credits                            | 4                             | 10          | 40          | 42          | 33          |
| QEZE Tax Credits**                            | NA                            | NA          | NA          | NA          | 16          |
| <b>Total</b>                                  | <b>174</b>                    | <b>193</b>  | <b>216</b>  | <b>219</b>  | <b>221</b>  |

| <b>Credit</b>                                 | <b>Amount of Credit Used*</b> |                     |                     |                     |                     |
|---|-------------------------------|---------------------|---------------------|---------------------|---------------------|
|   | <b>1997</b>                   | <b>1998</b>         | <b>1999</b>         | <b>2000</b>         | <b>2001</b>         |
| Mortgage Recording Tax Credit                 | \$11,273,827                  | \$15,155,418        | \$11,965,562        | \$12,525,779        | \$17,318,683        |
| Mortgage Servicing Credit                     | 8,801,322                     | 6,282,579           | 7,997,871           | 8,269,307           | 9,906,470           |
| Investment Tax Credit for Financial Services* | NA                            | 634,746             | 2,413,993           | 5,256,105           | 6,124,235           |
| EZ/ZEA Tax Credits                            | 43,125                        | 201,626             | 2,204,287           | 3,012,443           | 5,517,991           |
| QEZE Tax Credits**                            | NA                            | NA                  | NA                  | NA                  | 2,566,500           |
| <b>Total</b>                                  | <b>\$20,118,274</b>           | <b>\$22,274,369</b> | <b>\$24,581,713</b> | <b>\$29,063,634</b> | <b>\$41,433,879</b> |

\*Effective for qualified property placed in service on or after October 1, 1998.

\*\*Effective for tax years beginning on or after January 1, 2001.

**Table D17: Article 33 Tax Liability Before Limitation and Credits - 1997-2001**

| <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> |
|-----------------|---------------------------|----------------------------|--|-------------------------------------|
| 1997            | Life                      | 182                        | \$260,263,689  | 29.9%                               |
|                 | Property & Casualty       | 701                        | 553,341,236  | 63.6%                               |
|                 | Others                    | 83                         | 56,738,352   | 6.5%                                |
|                 | <b>Total</b>              | <b>966</b>                 | <b>\$870,343,277</b>                                 | <b>100.0%</b>                       |
| 1998            | Life                      | 184                        | \$289,713,881  | 32.3%                               |
|                 | Property & Casualty       | 710                        | 555,815,095  | 61.9%                               |
|                 | Others                    | 72                         | 52,620,083   | 5.9%                                |
|                 | <b>Total</b>              | <b>966</b>                 | <b>\$898,149,059</b>                                 | <b>100.0%</b>                       |
| 1999            | Life                      | 186                        | \$261,710,450  | 33.2%                               |
|                 | Property & Casualty       | 741                        | 448,692,296  | 56.8%                               |
|                 | Others                    | 74                         | 78,891,366   | 10.0%                               |
|                 | <b>Total</b>              | <b>1,001</b>               | <b>\$789,294,112</b>                                 | <b>100.0%</b>                       |
| 2000            | Life                      | 175                        | \$271,156,204  | 32.0%                               |
|                 | Property & Casualty       | 771                        | 477,106,282  | 56.3%                               |
|                 | Others                    | 80                         | 99,276,415   | 11.7%                               |
|                 | <b>Total</b>              | <b>1,026</b>               | <b>\$847,538,901</b>                                 | <b>100.0%</b>                       |
| 2001            | Life                      | 181                        | \$215,224,422  | 28.3%                               |
|                 | Property & Casualty       | 776                        | 431,961,448  | 56.9%                               |
|                 | Others                    | 81                         | 112,412,359  | 14.8%                               |
|                 | <b>Total</b>              | <b>1,038</b>               | <b>\$759,598,229</b>                                 | <b>100.0%</b>                       |

**Table D18: Article 33 Tax Liability Before Limitation and Credits of Domestic and Foreign Insurers - 1997-2001**

| <b>Tax Year</b> | <b>Insurance Category</b> | <b>Number of Domestic Companies</b> | <b>Liability of Domestic Companies</b> | <b>Share of Total Liability</b> | <b>Number of Foreign Companies</b> | <b>Liability of Foreign Companies</b> | <b>Share of Total Liability</b> |
|-----------------|---------------------------|-------------------------------------|--|---------------------------------|------------------------------------|---------------------------------------|---------------------------------|
| 1997            | Life                      | 111                                 | \$145,608,492                          | 16.7%                           | 71                                 | \$114,655,197                         | 13.2%                           |
|                 | Property & Casualty       | 174                                 | 137,088,826                            | 15.8%                           | 527                                | 416,252,410                           | 47.8%                           |
|                 | Others                    | 38                                  | 37,048,957                             | 4.3%                            | 45                                 | 19,689,395                            | 2.3%                            |
|                 | <b>Total</b>              | <b>323</b>                          | <b>\$319,746,275</b>                   | <b>36.7%</b>                    | <b>643</b>                         | <b>\$550,597,002</b>                  | <b>63.3%</b>                    |
| 1998            | Life                      | 108                                 | \$168,898,291                          | 18.8%                           | 76                                 | \$120,815,590                         | 13.5%                           |
|                 | Property & Casualty       | 159                                 | 116,877,678                            | 13.0%                           | 551                                | 438,937,417                           | 48.9%                           |
|                 | Others                    | 30                                  | 33,930,645                             | 3.8%                            | 42                                 | 18,689,438                            | 2.1%                            |
|                 | <b>Total</b>              | <b>297</b>                          | <b>\$319,706,614</b>                   | <b>35.6%</b>                    | <b>669</b>                         | <b>\$578,442,445</b>                  | <b>64.4%</b>                    |
| 1999            | Life                      | 107                                 | \$166,755,698                          | 21.1%                           | 79                                 | \$94,954,752                          | 12.0%                           |
|                 | Property & Casualty       | 168                                 | 90,925,022                             | 11.5%                           | 573                                | 357,767,274                           | 45.3%                           |
|                 | Others                    | 31                                  | 56,310,611                             | 7.1%                            | 43                                 | 22,580,755                            | 2.9%                            |
|                 | <b>Total</b>              | <b>306</b>                          | <b>\$313,991,331</b>                   | <b>39.8%</b>                    | <b>695</b>                         | <b>\$475,302,781</b>                  | <b>60.2%</b>                    |
| 2000            | Life                      | 89                                  | \$168,550,993                          | 19.9%                           | 86                                 | \$102,605,211                         | 12.1%                           |
|                 | Property & Casualty       | 171                                 | 89,719,913                             | 10.6%                           | 600                                | 387,386,369                           | 45.7%                           |
|                 | Others                    | 33                                  | 73,291,129                             | 8.6%                            | 47                                 | 25,985,286                            | 3.1%                            |
|                 | <b>Total</b>              | <b>293</b>                          | <b>\$331,562,035</b>                   | <b>39.1%</b>                    | <b>733</b>                         | <b>\$515,976,866</b>                  | <b>60.9%</b>                    |
| 2001            | Life                      | 88                                  | \$127,815,005                          | 16.8%                           | 93                                 | \$87,409,417                          | 11.5%                           |
|                 | Property & Casualty       | 162                                 | 94,768,592                             | 12.5%                           | 614                                | 337,192,856                           | 44.4%                           |
|                 | Others                    | 37                                  | 89,048,696                             | 11.7%                           | 44                                 | 23,363,663                            | 3.1%                            |
|                 | <b>Total</b>              | <b>287</b>                          | <b>\$311,632,293</b>                   | <b>41.0%</b>                    | <b>751</b>                         | <b>\$447,965,936</b>                  | <b>59.0%</b>                    |

**Table D19: Article 33 Tax Liability by Base of Tax Before Limitation and Credits - 1997-2001**

| <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> |
|-----------------|---------------------------|-------------------------------------|--|-----------------------------------|--|
| 1997            | Life                      | \$94,205,905                        | 36.2%                                    | \$166,057,784                     | 63.8%                                  |
|                 | Property & Casualty       | 246,569,960                         | 44.6%                                    | 306,771,276                       | 55.4%                                  |
|                 | Others                    | 20,770,688                          | 36.6%                                    | 35,967,664                        | 63.4%                                  |
|                 | <b>Total</b>              | <b>\$361,546,553</b>                | <b>41.5%</b>                             | <b>\$508,796,724</b>              | <b>58.5%</b>                           |
| 1998            | Life                      | \$87,147,687                        | 30.1%                                    | \$202,566,194                     | 69.9%                                  |
|                 | Property & Casualty       | 255,932,453                         | 46.0%                                    | 299,882,642                       | 54.0%                                  |
|                 | Others                    | 20,519,724                          | 39.0%                                    | 32,100,359                        | 61.0%                                  |
|                 | <b>Total</b>              | <b>\$363,599,864</b>                | <b>40.5%</b>                             | <b>\$534,549,195</b>              | <b>59.5%</b>                           |
| 1999            | Life                      | \$88,681,878                        | 33.9%                                    | \$173,028,572                     | 66.1%                                  |
|                 | Property & Casualty       | 246,440,447                         | 54.9%                                    | 202,251,849                       | 45.1%                                  |
|                 | Others                    | 26,942,938                          | 34.2%                                    | 51,948,428                        | 65.8%                                  |
|                 | <b>Total</b>              | <b>\$362,065,263</b>                | <b>45.9%</b>                             | <b>\$427,228,849</b>              | <b>54.1%</b>                           |
| 2000            | Life                      | \$85,160,259                        | 31.4%                                    | \$185,995,945                     | 68.6%                                  |
|                 | Property & Casualty       | 263,778,381                         | 55.3%                                    | 213,327,901                       | 44.7%                                  |
|                 | Others                    | 36,316,086                          | 36.6%                                    | 62,960,329                        | 63.4%                                  |
|                 | <b>Total</b>              | <b>\$385,254,726</b>                | <b>45.5%</b>                             | <b>\$462,284,175</b>              | <b>54.5%</b>                           |
| 2001            | Life                      | \$97,122,063                        | 45.1%                                    | \$118,102,359                     | 54.9%                                  |
|                 | Property & Casualty       | 309,721,758                         | 71.7%                                    | 122,239,690                       | 28.3%                                  |
|                 | Others                    | 45,795,319                          | 40.7%                                    | 66,617,040                        | 59.3%                                  |
|                 | <b>Total</b>              | <b>\$452,639,140</b>                | <b>59.6%</b>                             | <b>\$306,959,089</b>              | <b>40.4%</b>                           |

**Table D20: Article 33 Tax Liability After Limitation and Credits - 1997-2001**

| Tax Year | Insurance Category  | Tax Limitation 1/      |                        | Total Tax Credits         |                         | Value of<br>Limitation &<br>Tax Credits | Total<br>Tax Liability |
|----------|---------------------|------------------------|------------------------|---------------------------|-------------------------|---|------------------------|
|          |                     | Number of<br>Taxpayers | Value of<br>Limitation | Number of<br>Taxpayers 2/ | Value of<br>Tax Credits |   |                        |
| 1997     | Life                | 83                     | 61,550,610             | 29                        | 30,536,291              | 92,086,901                              | 168,176,788            |
|          | Property & Casualty | 382                    | 152,006,925            | 260                       | 41,045,439              | 193,052,364                             | 360,288,873            |
|          | Others              | 51                     | (642,309)              | 10                        | 3,377,217               | 2,734,908                               | 54,003,444             |
|          | <b>Total</b>        | <b>516</b>             | <b>212,915,226</b>     | <b>299</b>                | <b>74,958,947</b>       | <b>287,874,173</b>                      | <b>582,469,105</b>     |
| 1998     | Life                | 101                    | 78,816,736             | 30                        | 19,240,701              | 98,057,437                              | 191,656,444            |
|          | Property & Casualty | 373                    | 138,157,390            | 252                       | 38,767,541              | 176,924,931                             | 378,890,164            |
|          | Others              | 40                     | 23,649,608             | 9                         | 2,933,060               | 26,582,668                              | 26,037,415             |
|          | <b>Total</b>        | <b>514</b>             | <b>240,623,734</b>     | <b>291</b>                | <b>60,941,302</b>       | <b>301,565,036</b>                      | <b>596,584,023</b>     |
| 1999     | Life                | 99                     | 68,193,893             | 33                        | 21,583,486              | 89,777,379                              | 171,933,071            |
|          | Property & Casualty | 363                    | 63,980,112             | 256                       | 40,273,113              | 104,253,225                             | 344,439,071            |
|          | Others              | 41                     | 38,548,973             | 10                        | 2,656,644               | 41,205,617                              | 37,685,749             |
|          | <b>Total</b>        | <b>503</b>             | <b>170,722,978</b>     | <b>299</b>                | <b>64,513,243</b>       | <b>235,236,221</b>                      | <b>554,057,891</b>     |
| 2000     | Life                | 110                    | 98,693,820             | 35                        | 21,788,664              | 120,482,484                             | 150,673,721            |
|          | Property & Casualty | 378                    | 70,834,866             | 274                       | 44,005,878              | 114,840,744                             | 362,265,541            |
|          | Others              | 45                     | 48,423,346             | 10                        | 2,074,000               | 50,497,346                              | 48,779,069             |
|          | <b>Total</b>        | <b>533</b>             | <b>217,952,032</b>     | <b>319</b>                | <b>67,868,542</b>       | <b>285,820,574</b>                      | <b>561,718,332</b>     |
| 2001     | Life                | 97                     | 49,969,786             | 37                        | 16,614,246              | 66,584,032                              | 148,640,393            |
|          | Property & Casualty | 339                    | 35,985,577             | 267                       | 50,249,201              | 86,234,778                              | 345,642,076            |
|          | Others              | 46                     | 48,716,861             | 11                        | 2,904,707               | 51,621,568                              | 60,790,791             |
|          | <b>Total</b>        | <b>482</b>             | <b>134,672,224</b>     | <b>315</b>                | <b>69,768,154</b>       | <b>204,440,378</b>                      | <b>555,073,260</b>     |

1/ This column displays the number of taxpayers whose tax liability was determined based on the limitation on tax and the amount by which the limitation decreased their tax liability. The limitation equals 2.0 percent of the taxpayer's gross premiums for life insurers and 2.4 percent for all other insurers.

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.

**Table D21A: Retaliatory Tax Credit: Number of Credit Users and Amount of Credit Used - 1997 through 2001**

| Tax Year | Life Insurers          |                       | Property & Casualty    |                       |
|----------|------------------------|-----------------------|------------------------|-----------------------|
|          | Number of Credit Users | Amount of Credit Used | Number of Credit Users | Amount of Credit Used |
| 1997     | 27                     | \$30,479,784          | 46                     | \$11,829,460          |
| 1998     | 29                     | \$19,237,038          | 45                     | \$11,422,667          |
| 1999     | 24                     | \$17,749,754          | 41                     | \$10,643,563          |
| 2000     | 23                     | \$15,621,622          | 42                     | \$10,229,375          |
| 2001     | 22                     | \$8,114,583           | 30                     | \$9,296,593           |

**Table 21B: Credit for Investments in CAPCOS: Number of Credit Users and Amount of Credit Used - 1999 through 2001\***

| Tax Year | Life Insurers          |                       | Property & Casualty    |                       |
|----------|------------------------|-----------------------|------------------------|-----------------------|
|          | Number of Credit Users | Amount of Credit Used | Number of Credit Users | Amount of Credit Used |
| 1999     | 15                     | \$3,732,658           | 5                      | \$675,437             |
| 2000     | 19                     | \$6,139,293           | 9                      | \$2,318,677           |
| 2001     | 23                     | \$8,499,663           | 12                     | \$3,475,161           |

\*The CAPCO Credit is effective for tax years beginning on or after January 1, 1999.

**Table D21C: Fire Insurance Premiums Tax Credit: Number of Credit Users and Amount of Credit Used - 1997 through 2001**

| Tax Year | Number of Credit Users | Amount of Credit Used |
|----------|------------------------|-----------------------|
| 1997     | 222                    | \$29,602,590          |
| 1998     | 213                    | \$27,752,318          |
| 1999     | 220                    | \$29,338,880          |
| 2000     | 237                    | \$31,822,480          |
| 2001     | 239                    | \$37,486,319          |

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# Appendix E: Sources of Tax Return Data

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Appendix E lists the sources of tax return data used by the Office of Tax Policy Analysis (OTPA) in compiling the study files for Articles 9-A, 32 and 33 for the 2001 tax year. Tax return line items for which data is presented in this report are listed along with the associated line on the 2001 tax return(s). See Appendix A for more information on data sources.

**Table E-1: Sources of Data for Article 9-A Tax Return Items**

| Tax Return Item  | Line Number |       |      |
|--|-------------|-------|------|
|  | CT-3        | CT-3A | CT-4 |
| Federal Taxable Income Before NOL                        | 1           | 1E    | 1    |
| Interest on Federal, State Obligations                   | 2           | 2E    | 2    |
| Interest Paid to Stockholders                            | 3           | 3E    | 3    |
| Deductions Directly Attributed to Subsidiary Capital     | 4a          | 4a E  | NA   |
| Non-Interest Directly Attributed to Subsidiary Capital   | 4b          | 4b E  | NA   |
| Deductions Indirectly Attributed to Subsidiary Capital   | 5a          | 5a E  | NA   |
| Non-Interest Indirectly Attributed to Subsidiary Capital | 5b          | 5b E  | NA   |
| NYS, Other State and Local Taxes Deduction               | 6           | 6E    | 4    |
| ACRS/MACRS Deduction                                     | 7           | 7E    | 5    |
| Other Additions  | 8           | 8E    | NA   |
| Income from Subsidiary Capital                           | 10          | 10E   | NA   |
| 50% of Dividends   | 11          | 11E   | NA   |
| Foreign Dividends  | 12          | 12E   | NA   |
| NY Net Operating Loss Deduction                          | 13          | 13E   | 7    |
| Allowable NY Depreciation                                | 14          | 14E   | 8    |
| Other Subtractions                                       | 15          | 15E   | 9    |
| Entire Net Income  | 17          | 17E   | NA   |
| Investment Income Before Allocation                      | 18          | 18E   | NA   |
| Business Income Before Allocation                        | 19          | 19E   | NA   |
| Allocated Investment Income                              | 20          | 20E   | NA   |
| Allocated Business Income                                | 21          | 21E   | NA   |
| Optional Depreciation Adjustment                         | 23          | 23E   | NA   |
| Entire Net Income Base                                   | 24          | 24E   | 11   |
| Tax on ENI Base  | 72          | 72    | 28   |
| Total Capital  | 32          | 32E   | NA   |
| Subsidiary Capital                                       | 33          | 33E   | NA   |
| Investment Capital                                       | 35          | 35E   | NA   |
| Business Capital   | 36          | 36E   | NA   |
| Allocated Investment Capital                             | 37          | 37E   | NA   |
| Allocated Business Capital                               | 38          | 38E   | NA   |
| Capital Base   | 39          | 39E   | 19   |
| Tax on Capital Base                                      | 73          | 73    | 29   |
| Depreciation of Tangible Property                        | 43          | 43E   | 22   |
| Amortization of Mining Costs                             | 44          | 44E   | NA   |
| Amortization Circulation Expenditures                    | 45          | 45E   | NA   |
| Basis Adjustments  | 46          | 46E   | NA   |
| Long Term Contracts                                      | 47          | 47E   | NA   |
| Installment Sales  | 48          | 48E   | NA   |
| Merchant Marine Capital Construction                     | 49          | 49E   | NA   |
| Passive Activity Loss                                    | 50          | 50E   | NA   |
| Depletion  | 52          | 52E   | NA   |
| Appreciated Property Charitable Deduction                | 53          | 53E   | NA   |
| Intangible Drilling Costs                                | 54          | 54E   | NA   |
| Net Operating Loss Deduction - Alternative Minimum Tax   | 56          | 56E   | NA   |
| Alternative NOL Deduction - Alternative Minimum Tax      | 58          | 58E   | 25   |
| Minimum Taxable Income - Alternative Minimum Tax         | 59          | 59E   | NA   |
| Investment Income Before Alternative NOL (Balance)       | 62          | 62E   | NA   |
| Apport NYS Alternative NOL Deduction                     | 63          | 63E   | NA   |

**Table E-1: Sources of Data for Article 9-A Tax Return Items (Cont'd)**

| Tax Return Item                               | Line Number |           |      |
|---|-------------|-----------|------|
|   | CT-3        | CT-3A     | CT-4 |
| Alternative Business Income Before Allocation | 65          | 65E       | NA   |
| Allocated Alternative Business Income         | 66          | 66E       | NA   |
| Allocated Alternative Investment Income       | 67          | 67E       | NA   |
| Minimum Taxable Income Base                   | 70          | 70E       | 26   |
| Tax on Minimum Taxable Income Base            | 71          | 71        | 27   |
| Largest of 4 Bases (Tax Before Credit)        | 75          | 75        | NA   |
| Subsidiary Capital Base                       | 76          | 249       | NA   |
| Tax on Allocated Subsidiary Capital           | 77          | 76        | NA   |
| Tax Credits: Total                            | 79          | 78        | NA   |
| Tax Due                                       | 82          | 81        | 34   |
| Fixed Dollar Minimum Tax on Subsidiaries      | NA          | 83a + 83b | NA   |
| Total Tax Liability                           | 82          | 84        | 34   |

NA: Not Applicable

**Table E-2: Sources of Data for Article 32 Tax Return Items**

| Tax Return Item                                  | Line Number |        |
|--|-------------|--------|
|  | CT-32       | CT-32A |
| Federal Taxable Income Before NOL                | 22          | 24     |
| Dividends & Interest Effectively Connected       | 23          | 25     |
| Income Effectively Connected                     | 24          | 26     |
| Dividends & Interest Not Included                | 25          | 27     |
| Income Taxes Paid                                | 26          | 28     |
| NYS Franchise Taxes                              | 27          | 29     |
| NYS Gains (loss)                                 | 80          | 190    |
| Federal Depreciation                             | 28          | 30     |
| Federal Safe Harbor Lease Deduction              | 30          | NA     |
| Amount Required Except for Safe Harbor Lease     | 31          | NA     |
| Additional Mortgage Recording Tax Deducted       | 32          | 32     |
| Other Federal Deduction - Article 9-B/9-C        | 33          | 33     |
| Bad Debt Deduction - IRC 166/585(c)              | 34          | 34     |
| 20% Excess Bad Debt Deduction                    | 35          | 35     |
| Other Additions to Federal Taxable Income        | 36          | 36     |
| Interest and Other Expenses Not Deducted         | 38          | 38     |
| Allowable New York Depreciation                  | 39          | 39     |
| Federal Gains (loss)                             | 81          | 191    |
| Other Federal Gain (loss)                        | 83          | 193    |
| Federal Income or Gain from Installment Method   | 41          | 41     |
| IRC Section 78 Dividends Included                | 42          | 42     |
| Amount Deducted as a Result of Safe Harbor Lease | 43          | NA     |
| Amount Deducted Except for a Safe Harbor Lease   | 44          | NA     |
| Wages Not Deducted Due to Jobs Credit            | 45          | 43     |
| Money Received from FDIC/FSLIC/RTC               | 46          | 44     |
| Interest Income from Subsidiary Capital          | 47          | 45     |
| Dividend Income from Subsidiary Capital          | 48          | 46     |
| Net Gain from Subsidiary Capital                 | 49          | 47     |
| Interest Income on Obligations of New York State | 50          | 48     |
| Adjusted Eligible Net Income of IBF              | 51          | 49     |
| Recaptured Reserves on Losses - IRC 585(c)       | 52          | 50     |
| Recoveries of Charged Off Loans - IRC 585        | 53          | 51     |
| Bad Debt Deduction - 1453(h)                     | 54          | 52     |
| Bad Debt Deduction - 1453(i)                     | 55          | 53     |
| NYS Net Operating Loss Deduction                 | 56          | 54     |
| Other Subtractions                               | 57          | 55     |
| Entire Net Income                                | 59a         | 57a    |
| NY Depreciation - CT-399                         | 77          | 187    |
| NY Optional Depreciation Gain/Loss               | 82          | 192    |
| Allocated Taxable Entire Net Income              | 1           | 1      |
| Allocated Taxable Alternative Entire Net Income  | 2           | 2      |
| Tax on Alternative ENI Base                      | 2           | 2      |
| Total Assets - Average Value                     | 70          | 69     |
| Money or Other Property Received from FDIC       | 71          | 70     |
| Allocated Taxable Assets                         | 3           | 3      |
| Tax on Allocated Taxable Assets                  | 3           | 3      |
| Largest of 4 Bases (Tax Before Credit)           | 5           | 5      |
| Tax Credits: Total                               | 6           | 6      |
| Tax Due  | 7           | 7      |
| Fixed Dollar Minimum Tax on Subsidiaries         | NA          | 8      |
| Total Tax Liability                              | 7           | 9      |

NA: Not Applicable.

**Table E-3: Sources of Data for Article 33 Tax Return Items**

| Tax Return Item                                  | Line Number |         |
|--|-------------|---------|
|  | CT-33       | CT-33-A |
| Federal Taxable Income Before NOL                | 62          | NA      |
| Dividends Received Deduction                     | 63          | NA      |
| Dividends or Interest Income Not Included        | 64          | NA      |
| Interest to Stockholders                         | 65          | NA      |
| Adjustment for Gains or Losses                   | 66          | NA      |
| Deductions Attributable to Subsidiary Capital    | 67          | NA      |
| NYS Franchise Taxes                              | 68          | NA      |
| Federal Safe Harbor Lease Deduction              | 69a         | NA      |
| Amount Required Except for Safe Harbor Lease     | 69b         | NA      |
| ACRS/MACRS Deduction                             | 70          | NA      |
| Deduction from Federal Gross Income              | 71          | NA      |
| Unearned Premiums Excluded                       | 72          | NA      |
| Unpaid Losses Difference Preceding               | 73          | NA      |
| Other Additions                                  | 74          | NA      |
| Total Additions                                  | 75          | NA      |
| Income from Subsidiary Capital                   | 76          | NA      |
| 50% of Dividends                                 | 77          | NA      |
| Gain on Installment Sales                        | 78          | NA      |
| NY Net Operating Loss                            | 79          | NA      |
| Amount Included as a Result of Safe Harbor Lease | 80a         | NA      |
| Amount Deducted Except for a Safe Harbor Lease   | 80b         | NA      |
| Depreciation Allowed Section 1503(b)(10)         | 81          | NA      |
| Amount in Federal Gross Income                   | 82          | NA      |
| Unearned Premiums Included                       | 83          | NA      |
| Unpaid Losses Difference Current                 | 84          | NA      |
| Reduction of Loss Deduction                      | 85          | NA      |
| Other Subtractions                               | 86          | NA      |
| Total Subtractions                               | 87          | NA      |
| Entire Net Income                                | 88          | NA      |
| Allocated Entire Net Income                      | 1           | 1       |
| Tax on Entire Net Income                         | 1           | 1       |
| Total Capital                                    | 53          | NA      |
| Subsidiary Capital                               | 46E         | NA      |
| Business & Investment Capital                    | 55          | NA      |
| Adjusted Business & Investment Capital           | 57          | NA      |
| Allocated Business & Investment Capital          | 2           | 2       |
| Tax on Business & Investment Capital Base        | 2           | 2       |
| Alternative Tax Base                             | 3           | 3       |
| Tax on Alternative Base                          | 3           | 3       |
| Allocated Subsidiary Capital                     | 5           | 5       |
| Tax on Subsidiary Capital                        | 5           | 5       |
| Life Insurance Premiums - Life                   | 90a         | NA      |
| Accident & Health Premiums - Life                | 91a         | NA      |
| Other Insurance Premiums - Life                  | 92a         | NA      |
| Life Insurance Company Premiums - Life           | 6           | 7       |
| Tax on Life Company Premiums - Life              | 6           | 7       |
| Accident & Health Company Premiums               | 7           | 8       |
| Tax on Accident & Health Company Premiums        | 7           | 8       |
| Other Nonlife Insurance Premiums                 | 8           | 9       |

**Table E-3: Sources of Data for Article 33 Tax Return Items (Cont'd)**

| <b>Tax Return Item</b>        | <b>Line Number</b> |                |
|-------------------------------|--------------------|----------------|
|                               | <b>CT-33</b>       | <b>CT-33-A</b> |
| Tax on Other Nonlife Premiums | 8                  | 9              |
| Tax Before Limitation         | 9a                 | 12a            |
| Limitation on Tax-Life        | 10a                | 13             |
| Limitation on Tax-Non-Life    | 10b                | 14             |
| Tax Before Credits            | 11                 | 16             |
| Tax Credits                   | 12                 | 17             |
| Tax Due                       | 13                 | 18             |

NA: Not Applicable.

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

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