

Instructions for Form IT-115

**Purpose of Form IT-115** — If the Internal Revenue Service changes your taxable income, tax preference items, total taxable amount or ordinary income portion of a lump sum distribution, or disallows your refund claim or credit for child and dependent care expenses, you must report these changes to the New York State Tax Department within 90 days of the IRS final determination. Complete Form IT-115 and, if necessary, attach Forms IT-115.1 (minimum income tax), and IT-115.3 (separate tax on lump sum distributions). If the federal changes result in a refund, you may use Form IT-115 as a claim for refund if you attach to it a copy of the federal report of examination changes.

If, in addition to reporting federal changes, you are reporting some other change to your state return, you must file an amended return instead of Form IT-115. For information on filing an amended return, get Publication 380, *How to Amend Your New York Income Tax Return*.

For forms and publications, call toll-free 1-800-462-8100. From areas outside New York State, call (518) 438-1073.

**Separate Forms for Husband and Wife** — Married taxpayers who filed separate New York State income tax returns must file separate Forms IT-115 to report federal changes affecting their own return. If the federal changes belong to one spouse, only that spouse is required to file Form IT-115. However, if you checked filing status (3), and the federal changes affect the amount of your family adjustment (for taxable years beginning on or after January 1, 1985), both spouses must file their own Form IT-115.

**Nonresidents** — If you are a New York State nonresident, report federal changes only to the extent that they affect your New York State income tax liability.

**Child and Dependent Care Credit** — See the instructions for line 21 if the Internal Revenue Service changed the amount of your federal child and dependent care credit.

**Partnerships** — A partnership must file Form IT-115 to report federal changes to partnership income, gain, loss or deduction. Attach a schedule showing each partner's name, address, identifying number, share of federal changes and share of any New York adjustments to those changes. Base your schedule on the format of related schedules on Form IT-204. Each partner must file his own Form IT-115 to report his share of the above items.

**S Corporations** — An S corporation must file Form IT-115 to report federal changes to S corporation income, loss or deduction. Attach a schedule showing each shareholder's name, address, identifying number, pro rata share of federal changes and pro rata share of any New York adjustments to those changes. Base your schedule on the format of related schedules on Form CT-3S. Each shareholder must file his own Form IT-115 to report his share of the above items.

**Estates and Trusts** — If the New York fiduciary adjustment (Tax Law Section 619) or the New York net change (Tax Law Section 639) applies to the federal changes, attach a schedule showing the computation of the modification applicable to the federal changes and enter the fiduciary's share in Schedule A on the back of Form IT-115.

Also enter in Schedule A any modifications relating to amounts allocated to principal that apply to the federal changes.

If the federal changes affect the distributable net income of the estate or trust, attach a schedule showing each beneficiary's name, address, identifying number and share of the federal changes. Also include each beneficiary's share of any New York fiduciary adjustment or New York net change that applies to the federal changes. Each beneficiary must file his own Form IT-115 to report his share of the above items.

**Federal and State Privacy Notification** — The authority to request this personal information from you or your employer, including identifying numbers (Social Security numbers, etc.), is found in Sections 651, 652, 658, 697, 1306, 1332 and 1342, Articles 22, 30, 30-A and 30-B in general of the Tax Law, Article 2-E of the General City Law and Part 152 of the Personal Income Tax Regulations. The principal purpose for which the information is collected is to assist the Department of Taxation and Finance in determining New York State personal income tax liabilities under Article 22 of the Tax Law, New York City personal income tax liabilities under Article 30 of the Tax Law and Article 2-E of the General City Law, and City of Yonkers income tax surcharge on residents and earnings tax on nonresidents under Articles 30-A and 30-B of the Tax Law. The authority to maintain this information is found in Section 697(e) of the Tax Law and Section 152.8 of the Personal Income Tax Regulations.

The information will be used for tax administration purposes and as necessary under Education Law Section 663, Social Services Law Sections 23, 111-b and 136-a, Executive Law Section 49, Labor Law Section 537, Tax Law Sections 171-a, 171-b, 171-c, 171-d, 171-e and 697 and for any other purpose authorized by law, and when the taxpayer gives written authorization to this department for another department, person, agency or entity to have access, limited or otherwise, to information contained in his return.

Failure to provide the requested information may result in civil penalties under Section 685, 1312, 1332 and 1342 of the Tax Law and/or criminal penalties under Article 37 of the Tax Law.

This information will be maintained by the Director, Accounting and Records Management Bureau, Processing and Revenue Management Division, Department of Taxation and Finance, W. A. Harriman Campus, Building 8, Room 905, Albany, New York 12227-0125, telephone number (518) 438-8581.

**Line-by-Line Instructions**

**Complete the top of Form IT-115** — Print or type your name and address. Enter in the space provided the name and address shown on your original return if different from your mailing address. If you are married and file a joint return or separate returns on one form give social security numbers for both you and your spouse. Show the tax year involved. Fill in items A, B and C if they apply.

**Form IT-100, Form IT-100-R, Form IT-100-S and Form IT-200 Filers** — If you filed Form IT-100, Form IT-100-R, Form IT-100-S or Form IT-200, the Tax Department will refigure your tax for you. However, you must check the box on the front page and fill in lines 1 through 11. If you filed Form IT-200, you must also fill in lines 24 and 26 if they apply to you. We will advise you of any adjustments to tax based on the information submitted.

**Part I Summary of Federal Changes, lines 1 through 11** — Enter the information requested as it appears on your federal report of examination changes.

**Part II Recalculation of New York Tax**

**Line 12** — Enter the New York net income previously reported on your New York State income tax return. For calendar years prior to 1985 and fiscal years beginning prior to January 1, 1985, enter your New York taxable income previously reported. However, if you or the New York State Tax Department revised your New York net income (or New York taxable income) after you filed your return, enter the revised amount.

**Line 13** — Enter the net federal adjustment — increase (decrease) from Part I line 3. Complete this worksheet if your federal itemized deductions were disallowed and the federal zero bracket amount (ZBA) was allowed in its place and/or if exemptions claimed on your federal return were disallowed. However, if additional federal exemptions were allowed, include as an addition on line 5 the additional amount of federal exemptions, and on line 10 enter the additional amount for New York exemptions.

**Worksheet**

Net federal adjustment from Form IT-115, line 3			1. _____
Federal zero bracket amount (ZBA)	2. _____		
NY itemized deduction	3. _____		
No. of exemption(s) disallowed _____			
Amount (see table below) X _____	=	4. _____	
Add lines 2, 3 and 4			5. _____
Add: lines 1 and 5			6. _____
Federal itemized deductions disallowed	7. _____		
No. of exemption(s) disallowed _____			
Amount (see table below) X _____	=	8. _____	
NY standard deduction allowable	9. _____		
Add lines 7, 8 and 9			10. _____
Subtract line 10 from line 6			
Include this amount on Form IT-115, line 13.			11. _____

**Table**

Year	NY exemption (enter amount on worksheet line 4)	Federal exemption (enter amount on worksheet line 8)
1985	\$850	\$1,040
1984	800	1,000
1983	800	1,000
1982	800	1,000
1981	750	1,000

**Line 15** — Enter the net amount of New York adjustments to your federal changes from Schedule A, line 5, on the back of Form IT-115. For a list of New York adjustments, see the instructions for the New York State income tax return you filed.

**IT-115-I (BACK) (11/85)**

If any of the federal adjustments reported were previously changed by the New York State Tax Department and the change increased taxable income, enter the amount in Schedule A as a subtraction. If the change decreased taxable income, enter it as an addition.

**Line 17 applies only to tax years beginning on or after January 1, 1985.**

**Line 17** — Filing status ①, ④ and ⑤ enter "0" on line 17.

If you checked filing status ② or ③ and your total New York income after applying any net federal adjustment (line 13) and New York adjustments to federal changes (line 15) is \$36,000 or less (combined total New York income of both spouses if filing status ③ is checked), find your family adjustment in the instructions for the New York State income tax return you filed. If you checked filing status ③, and the federal changes affect the amount of your family adjustment, both spouses must file their own Form IT-115 (even if the federal changes applied to only one spouse).

**Line 18** — Filing status ①, ④ and ⑤ — Enter your line 16 amount on line 18.

Filing status ② — Subtract the amount on line 17 from the amount on line 16 and enter the result. For taxable years ending before January 1, 1985, enter the line 16 amount on line 18 since there was no family adjustment for those years.

Filing status ③ — If the amount on line 16 of your Form IT-115 is larger than the amount on line 16 of your spouses' Form IT-115, subtract the family adjustment from line 16 on your Form IT-115 and add it to line 16 on your spouses' Form IT-115. If the reverse is true, add the family adjustment to line 16 on your Form IT-115 and subtract it from line 16 on your spouses' Form IT-115. For taxable years ending before January 1, 1985, lines 16 and 18 will be the same amount since there was no family adjustment for those years.

**Line 19** — Figure your state tax on the amount on line 18 by using the NY State Tax Rate Schedule for the tax year involved. However, if line 18 is more than the amount listed in the table below, the tax may be limited to a maximum tax rate on personal service income for the tax year shown. Complete Form IT-250 and transfer the maximum tax to line 19. Attach Form IT-250 to this report. For more information, see Form IT-250 and the instructions on page 2 of Form IT-250.

<u>Tax Year</u>	<u>If line 18 is more than:</u>	<u>Maximum Tax Rate is:</u>
1978 and 1979	\$21,000	12%
1980	\$19,000	11%
1981 through 1984	\$17,000	10%
1985	\$15,000	9.5%

**Line 20 applies only to the tax years beginning on or after January 1, 1985.**

**Line 20** — If you checked filing status ②, figure your tax on the amount on line 17 using the 1985 Family Adjustment Tax Rate Schedule. All others enter "0" on this line.

**Line 21** — Add lines 19 and 20 and enter the total on line 21. However, if your federal credit for child and dependent care expenses was changed, or if the federal changes affect other New York State credits that you claimed, refigure the credit and compare it to the amount you claimed on your return. Add the decrease or subtract the increase in the amount of credit to the total at lines 19 and 20 and enter the result on line 21. Attach a schedule showing your computations.

**Line 22** — If you were a City of New York resident, figure your City of New York resident tax on the amount on line 16 by using the City of New York Tax Rate Schedule for the tax year involved.

For years 1982, 1983 and 1984, figure your City of New York resident tax and resident tax surcharge using Worksheet B on the back of Form IT-115.

**Line 23** — Enter the total additional amount of the following other New York taxes if they apply to you:

- Minimum Income Tax; attach Form IT-115.1
- Separate Tax on Lump Sum Distributions; attach Form IT-115.3

**Line 24** — If you filed Form NYC-203, *City of New York Nonresident Earnings Tax Return*, and the federal change involves wages or net earnings from self-employment, refigure your total earnings tax using Form NYC-203 as a guide. Compare the refigured amount with the total earnings tax on your original return and enter any additional tax on line 24. Attach a schedule showing your computation.

**Lines 25 and 26 are applicable only to tax years beginning on or after January 1, 1984 and beginning before January 1, 1989.**

**Line 25** — If you were a City of Yonkers resident, complete Worksheet C on the back of Form IT-115 to figure your additional City of Yonkers resident income tax surcharge. This applies for tax years beginning on or after January 1, 1984.

If your federal credit for child and dependent care expenses was changed or if the federal changes affect other New York State credits that you claimed, add the decrease or subtract the increase in your New York State credits to the amount on line i of Worksheet C. If you have a federal change affecting the tax on early dispositions of investment credit and/or retail enterprise credit property or research and development credit property, also include this change in tax on line i of Worksheet C. Attach a schedule showing your computations.

**Line 26** — If you filed Form Y-203, *City of Yonkers Nonresident Earnings Tax Return*, and the federal change involves wages or net earnings from self-employment, refigure your total earnings tax using Form Y-203 as a guide. Compare the refigured amount with the total earnings tax on your original return and enter any additional tax on line 26. Attach a schedule showing your computations.

**Line 28** — Enter the state tax and tax on family adjustment or maximum tax and tax on family adjustment from the New York State income tax return you filed for the year 1985. However, if you or the New York State Tax Department revised your tax after you filed your return, enter the revised amount. For taxable years ending before January 1, 1985, enter your state tax or maximum tax.

**Line 29** — Enter the City of New York resident tax from the New York State income tax return you filed for the year involved. If the federal changes apply to tax years 1982, 1983 or 1984, also include any City of New York resident income tax surcharge from your original return. However, if you or the New York State Tax Department revised your tax after you filed your return, enter the revised amount.

**Line 33** — Enter 5% of the amount on line 32 if the IRS has imposed the negligence penalty.

**Line 34** — Include interest on the additional tax shown on line 32 with this report. The Tax Department will figure the interest for you. Call the NY State Taxpayer Assistance Bureau at 1-800-342-3536 and give the tax representative the amount on line 32, the year of your tax return and the date of payment. Then enter the interest amount on line 34.

If you want to write instead of calling, include the above information in your request for the tax department to figure the interest amount and mail your request to:

**NYS Tax Department  
Income Tax Assistance  
W.A. Harriman Campus  
Albany, NY 12227-0125**

**Your Signature** - You must sign and date this report even if you do not concede the accuracy of the federal change or correction. If you do not so concede, draw a line through the concession statement above the signature line, sign and date this report and attach a statement of the reasons you disagree with the federal change or correction.

**Mail Form IT-115 and attachments to: NY State Income Tax  
W.A. Harriman Campus  
Albany, NY 12227 - 0125**