



Instructions for Form CT-3M/4M Metropolitan Transportation Business Tax (MTA Surcharge) Return

General Information

Who Must File This Form and Pay This Surcharge

A taxpayer filing Form CT-3, CT-3-A or CT-4 (Article 9-A) that does business, employs capital, owns or leases property or maintains an office in the Metropolitan Commuter Transportation District (MCTD) must also file Form CT-3M/4M and pay a metropolitan transportation business tax surcharge on business done in the Metropolitan Transportation Authority region (MTA surcharge). The MCTD includes the counties of New York, Bronx, Kings, Queens, Richmond, Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk and Westchester.

A corporation is not subject to this MTA surcharge if (1) its activities are limited to solicitation of orders by the corporation's representatives or independent contractors for sales of tangible personal property, (2) the orders are sent outside the district for approval or rejection, and, (3) the orders, if approved, are filled by shipment or delivery from a point outside the district.

Estimated MTA Surcharge

Any corporation doing business in the MCTD that is required to make a declaration of estimated franchise tax and tax surcharge must also make a declaration of estimated MTA surcharge and make quarterly installment payments on Form CT-400, *Estimated Tax for Corporations*. For additional information see the instructions for line 5b and Form CT-400-I.

Tax Rate

The tax rate is 17% for calendar year 1992 or fiscal year ending before December 31, 1993.

When and Where to File

File this return and any amount due within 2½ months after the end of your reporting period.

If you cannot meet the filing deadline, ask for a six-month extension of time by filing Form CT-5. Mail your return to: NYS Corporation Tax, Processing Unit, P O Box 1909, Albany NY 12201-1909.

Extension of Time for Filing Tax Surcharge Return

You may request additional time to file an MTA surcharge return. File Form CT-5 on or before the due date of the return for which the extension is requested and pay the MTA surcharge estimated to be due. The payment must equal or exceed either 100% of the MTA surcharge shown on your return (adjusted to correct errors in computation) for the preceding year (if it was for a period of twelve months) calculated at the MTA surcharge rate in effect for the current period covered by the extension or 90% (.90) of the MTA surcharge for the current year as finally determined.

Identifying Information

To ensure that your corporation tax forms are processed as quickly and efficiently as possible, it is important that we have the necessary identifying information from your preprinted mailing label. Please include your **employer identification number** and **file number** on each form filed. These numbers can be copied directly from the label. Do not use the label on this form.

If you use a paid preparer or accounting firm, make sure they use the label information when completing all forms prepared for you.

Line Instructions

Computation of MTA Surcharge

- Line 1** Enter your franchise tax, before the addition of any tax surcharge computed on your tax return:
Form CT-3, line 77 Form CT-3-A, line 13
Form CT-4, line 23
- Line 2** Complete the appropriate part of Schedule A and enter your MCTD allocation percentage from either line 35 or line 43.
- Line 5a** If you have filed an application for extension (Form CT-5), enter the amount from line 5 of Form CT-5.
- Line 5b** Enter 25% of the amount on line 4, if:
— you did not file Form CT-5, and,
— the franchise tax plus the tax surcharge on Form CT-3 or CT-3-A is more than \$1,000.
Enter "0" if:
— you did not file Form CT-5, and,
— the franchise tax plus tax surcharge on Form CT-3 or Form CT-3-A is not more than \$1,000.
- Lines 9 and 10** Interest and additional charges — See instructions for Form CT-3 or Form CT-4.
- Line 11** If you underpaid your estimated tax, use Form CT-222, *Underpayment of Estimated Tax By Corporations*, to compute the penalty. Attach Form CT-222 and check box. If no Form CT-222 penalty is due, enter "0" on line 11.

No penalty will be imposed if by June 15, 1992, you filed a declaration of estimated MTA surcharge and made the required payments of MTA surcharge due.
- Line 13** If line 6 is less than line 7, subtract line 6 from line 7. This is the amount of overpayment. You may divide your overpayment in any way you choose on lines 14, 15 and 16.

Schedule A — Computation of MCTD Allocation Percentage

Part I - The MCTD allocation is determined by averaging the percentages of the corporation's property, receipts and wages that apply to the MCTD.

Part II - Aviation corporations only. The MCTD allocation is determined by averaging the percentages of the corporation's arrivals and departures, revenue tons handled and originating revenue that apply to the MCTD.

- If you do all of your New York State business within the 12 counties of the MCTD, enter 100% on line 2. Do not complete Schedule A.
- If you do part of your business outside of the MCTD but not outside of New York State, compute your MCTD allocation by completing this schedule. For detailed instructions refer to Form CT-3-I, *Instructions for General Business Corporation Franchise Tax Return*, Schedule A, Parts I and II. When reading Schedule A instructions, substitute *New York State for Everywhere* and *MCTD for New York State*.
- If you claimed a business allocation percentage by completing Form CT-3, Schedule A, Parts I and II, enter the New York State figures from Column A, Parts I and II, of that schedule in Schedule A, Column B. When reading Schedule B instructions, substitute *New York State for Everywhere* and *MCTD for New York State*.