



CT-399

New York State Department of Taxation and Finance

Depreciation Adjustment Schedule

Tax Law — Articles 9-A, 32, and 33

Name	Employer identification number
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Use this form to compute the New York State depreciation modifications:

- if the corporation claims the federal ACRS/MACRS deduction for property placed in service **either** inside or outside New York State after 1980 in tax periods beginning before 1985; or
- if the corporation claims the federal ACRS/MACRS deduction for property placed in service **outside** New York State in tax periods beginning after 1984 and before tax periods beginning in 1994, and the corporation chooses to continue using IRC section 167 depreciation deduction for the property; or
- if the corporation disposes of ACRS/MACRS property this year, and New York State depreciation modifications applied to the property in any prior years.

Part I – Computation of New York State depreciation modifications when computing New York State entire net income

List only depreciable property which requires or is entitled to a depreciation modification when computing New York State entire net income (*see instructions*).

Add back the total of the federal depreciation deduction in column E to federal taxable income when computing New York State entire net income. The total of the allowable New York State depreciation in column I is the allowable New York State deduction when computing entire net income.

A Description of property	B Date placed in service mo/day/yr	C Cost or other basis	D Accumulated federal depreciation	E ACRS/MACRS federal depreciation deduction	F Method of figuring NYS depreciation	G Life or rate	H Accumulated NYS depreciation	I Allowable NYS depreciation
1 Add amounts in columns C, D, E, H, and I.								

If you have not disposed of any ACRS/MACRS property placed in service in tax years beginning before 1994, enter the total of column E as an addback to federal taxable income and the total of column I as a deduction from federal taxable income on the appropriate lines of your franchise tax return (*see instructions*).

If you have disposed of property listed in Part I (or listed in Part II in prior years), continue with line 2 on the back.

If you file Form CT-3, CT-3-A, or CT-4, use Part IV on the back to determine your depreciation adjustment used to compute your minimum taxable income base.

Part II - Disposition adjustments

For each item of property listed below, determine the difference between federal ACRS or MACRS and New York State depreciation used in the computation of federal and New York State taxable income in prior and current years.

If the ACRS deduction is larger than the New York State depreciation, subtract column D from column C and enter the result in column E.

If the New York State depreciation is larger than the federal deduction, subtract column C from column D and enter the result in column F.

A Description of property	B Date placed in service	C Total federal deduction taken	D Total New York depreciation taken	E Adjustment (subtract column D from column C)	F Adjustment (subtract column C from column D)
2 Total excess federal deductions over NYS depreciation deductions (add column E amounts).....				2	
3 Total excess NYS depreciation deductions over federal deductions (add column F amounts).....					3

Part III - Summary of adjustments to entire net income		A Federal	B New York State
4 Enter amount from Part I, line 1, column E	4		
5 Enter amount from Part I, line 1, column I	5		
6 Enter amount from Part II, line 2	6		
7 Enter amount from Part II, line 3	7		
8 Add amounts in column A and column B	8		

If you file Form:	Enter the amount from line 8, column A, on:	Enter the amount from line 8, column B, on:
CT-3 or CT-3-A	line 7	line 14
CT-3-S or CT-3-S-A	line 6	line 13
CT-4	line 5	line 8
CT-4-S	line 4	line 6
CT-32	Schedule B, line 28	Schedule B, line 39
CT-32-A	Schedule B, line 30	Schedule B, line 39
CT-33	line 70	line 81

Part IV - Minimum taxable income base depreciation adjustments - Article 9-A only

List below the properties entered in Part I which were placed in service after 1986. Attach additional sheets if necessary.

A Description of property	B Date placed in service mo/day/yr	C Cost	D Federal depreciation deduction	E Alternative depreciation system
Amounts from attached list				
9 Total columns D and E			9	
10 If column D total is more than column E total, enter the excess			10	
11 If column E total is more than column D total, enter the excess			11	
12 Enter amount from federal Form 4626, line 2a, depreciation of post-1986 property (see instructions)				12
13 If there is an excess on line 10, subtract line 10 from line 12				13
14 If there is an excess on line 11, add lines 11 and 12				14
Enter amount from line 13 or line 14 on Form CT-4, line 22; or Form CT-3 or CT-3-A, line 43.				

Attach this form and a copy of federal Form 4562 to your New York State franchise tax return.