



# DTF-623

New York State Department of Taxation and Finance

## Claim for Industrial or Manufacturing Business (IMB) Credit

Tax Law – Section 14-a

All filers must enter tax period:

beginning  ending

Name	Taxpayer identification number(s) shown on page 1 of your return
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You must file this form with your corporation franchise tax return, Form CT-3, CT-3-A, CT-3-S, or CT-3-S-A, or with your personal income tax return, Form IT-201, IT-203, IT-204, or IT-205.

### Part I — Partners, shareholders, beneficiaries of estates and trusts

Partners in partnerships (including members of LLCs that elect to be treated as partnerships), shareholders of New York State S corporations, beneficiaries of estates and trusts: Enter your share of the IMB credit here (see instructions) .....	\$
Business name	Identification number

### Part II — Computing the credit (see instructions on back before completing)

1 Taxes imposed for utility services (section 186-a) .....	•	1.		
2 MTA surcharges imposed (section 186-c) .....	•	2.		
3 Tax liability imposed for the importation of gas services (section 189) .....	•	3.		
4 MTA surcharges imposed (section 189-a) .....	•	4.		
5 Total available IMB credit (add lines 1 through 4) .....	•	5.		
6 Fiduciary: Enter credit allocated to beneficiaries from Part IV .....	•	6.		
7 Fiduciary's IMB credit (subtract line 6 from line 5) .....	•	7.		

### Part III — Applying the credit (Article 9-A only)

8 Enter your franchise tax from Form CT-3, line 78, or CT-3-A, line 77 ...	8.			
9 Tax credits claimed before the IMB credit (see instructions) .....	9.			
10 Net tax before the IMB credit (subtract line 9 from line 8) .....	10.			
11 Enter the higher of the tax on the minimum taxable income base (from Form CT-3 or CT-3-A, line 71) or the fixed dollar minimum tax (from Form CT-3, or CT-3-A, line 74) .....	11.			
12 IMB credit limitation (subtract line 11 from line 10) .....	•	12.		
13 IMB credit to be used this period (enter the lesser of line 5 or line 12, and transfer to the appropriate tax return) .....	•	13.		
14 Unused IMB credit (subtract line 13 from line 5) .....	•	14.		
15 Amount of credit to be refunded (see instructions) .....	•	15.		
16 Amount of credit to be applied as an overpayment to next period (subtract line 15 from line 14) .....	•	16.		

### Part IV — Beneficiary's and fiduciary's share of IMB credit (see instructions)

A Beneficiary's name (same as in Form IT-205, Schedule C)	B Identifying number	C Share of credit
Total (from line 5)		
a		
b		
Fiduciary		

# Instructions

## General information

Tax Law section 14-a allows an eligible taxpayer subject to tax under Tax Law Articles 9-A or 22 to claim a tax credit against their corporation franchise or personal income tax liability. The credit is equal to the sum, or pro-rata share of the sum, of the taxes imposed under sections 186-a, 186-c, 189, and 189-a of Tax Law Article 9 (but only for gas, electricity, steam, water, or refrigeration, or for gas, electricity, steam, water, or refrigeration services used or consumed by an industrial or manufacturing business (IMB) in New York. The IMB credit may be claimed for taxes that were either paid by or passed through to an IMB on or after January 1, 2000). The credit applies to tax years ending after January 1, 2000, and expires for tax years ending on or after January 1, 2007.

For Article 9-A taxpayers, the credit may not reduce the taxpayer's tax liability to less than either (1) the greater of the tax on minimum taxable income or (2) the fixed dollar minimum tax.

For both Article 9-A and Article 22 taxpayers, any portion of this credit that cannot be applied to the current year's tax liability may be refunded without interest, or applied as a payment against next year's tax.

## Eligibility

An eligible industrial or manufacturing business is a business that during the tax year is:

- Principally engaged in manufacturing, processing, assembling, refining, mining, extracting, farming, agriculture, horticulture, floriculture, viticulture, or commercial fishing.
- An industrial waste treatment facility or an air pollution control facility.
- Principally engaged in research and development.
- Engaged in any one or more of the above activities.

If a business has facilities, branches, or divisions both within and outside of New York State, the test applies to the activities of the entire business. Each business entity within a combined tax filing group makes the determination separately.

Eligible taxpayers include corporations that are IMBs, partners in partnerships (including members of limited liability companies (LLCs) that elect to be treated as partnerships) that are IMBs, shareholders of New York State S corporations that are IMBs, beneficiaries of estates and trusts that are IMBs, and sole proprietors of IMBs.

## Specific instructions

**Corporations:** Complete Part II, lines 1 through 5, and Part III.

**Partnerships and New York S corporations:** Complete Part II, lines 1 through 5.

**Corporate partners:** Complete Part I, include this amount on Part II, line 5, and complete Part III.

**Partners in partnerships (including members of LLCs that elect to be treated as partnerships), shareholders of New York S corporations and beneficiaries of estates and trusts:** Complete Part I.

**Sole Proprietors:** Complete Part II, lines 1 through 5, as applicable.

**Fiduciaries:** Complete Part II and Part IV. An estate or trust that divides the credit among itself and its beneficiaries must attach Form DTF-623 to Form IT-205 showing each beneficiary's share of the credit.

## Part I — Partners, shareholders, beneficiaries of estates and trusts

Enter your share of the partnership's, S corporation's, estate's, or trust's credit. Obtain this information from the partnership, the S corporation, the estate, or the trust. Provide the name and identification number of

the partnership, New York S corporation, estate, or trust. Transfer this amount to Form IT-201-ATT, line 76, or Form IT-203-B, line 61. However, corporate partners must include this amount on Part II, line 5, and complete Part III.

If you are claiming a credit from more than one partnership, S corporation, estate, or trust, combine all amounts on Part I and attach a list showing a breakdown of amounts and the name and identification number of each entity.

## Part II — Computing the credit

### Corporations, partnerships, sole proprietors, and fiduciaries:

Include on lines 1 through 4 those taxes imposed for gas, electricity, steam, water, or refrigeration, or for gas, electricity, steam, water, or refrigeration services that you used or consumed in New York State.

**Obtain a statement from your utility** that separately identifies the amount of sections 186-a, 186-c, 189, and 189-a tax liability that qualifies for the credit for the year 2004. If you have a direct pay permit and file your own Form CT-189, include the net tax liability, minus credits, in your computation of the IMB credit. **Attach this statement to Form DTF-623.** Failure to do so may delay the processing of your refund, overpayment, or both.

**Corporations:** Complete Part III also.

**Partnerships:** Transfer the amount from line 5 to Form IT-204, line 25.

**Sole proprietors:** Transfer the amount from line 5 to Form IT-201-ATT, line 76, or Form IT-203-B, line 61. If you were also a partner in a partnership, a shareholder of a New York State S corporation, or a beneficiary of an estate or trust that qualified for a credit in Part I, transfer the total of the credit from Part I and the amount from line 5 to Form IT-201-ATT, line 76, or Form IT-203-B, line 61.

**New York S corporations:** Transfer the amount from line 5 to Form CT-34-SH, line 33, and provide your shareholders with their pro rata share of the credit.

**Fiduciaries:** Transfer the amount from line 5 to *Total (from line 5)* in Part IV.

**Line 6** — Enter the amount of credit that was allocated to beneficiaries, in Part IV, column C.

**Line 7** — Transfer this amount to Form IT-205, line 33.

## Part III — Applying the credit (Article 9-A only)

**Line 9** — If you are claiming more than one credit, see the instructions for Form CT-600, *Ordering of Corporation Tax Credits*, for a listing of the credits and the order that the credits are applied. Then enter the amount of credit(s) being claimed before the IMB credit. If filing as a member of a combined return, include any amount of tax credit(s), including IMB credit(s), claimed by the combined group, (including other members) that you wish to apply before your IMB credit. Otherwise, enter 0.

**Line 15** — You may not carry over the IMB credit. However, you may receive as a refund without interest any portion of the credit that cannot be applied to the current year's tax liability, or you may apply it as a payment against next year's tax. To avoid an unnecessary exchange of funds, we will apply any refund to your unpaid franchise tax or MTA surcharge and refund the remaining balance. Enter the amount you wish to be refunded on line 15 and Form CT-3, line 99a; or Form CT-3-A, line 100a. Enter the amount you wish to apply to next year's tax on line 16 and Form CT-3, line 99b; or Form CT-3-A, line 100b.

## Part IV — Beneficiary's and fiduciary's share of IMB credit

If an estate or trust allocates or assigns the credit to its beneficiaries, base the division on each beneficiary's proportionate share of the income of the estate or trust.

The sum of the amounts entered in column C must agree with the total available IMB credit shown on the total line in Part IV and Part II, line 5.

### Need help?



**Internet access:** [www.nystax.gov](http://www.nystax.gov)  
(for information, forms, and publications)



**Fax-on-demand forms:** 1 800 748-3676



**Business Tax Information Center:** 1 800 972-1233

**Personal Income Tax Information Center:** 1 800 225-5829

From areas outside the U.S. and outside Canada: (518) 485-6800

