

Up-to-date information affecting your tax return

Visit our website for the tax law changes or forms corrections that occurred after the forms and instructions were finalized (see *Need help?*).

Contents of this form

Form CT-1 contains both changes for the current tax year and general instructional information, serving as a supplement to corporation tax instructions.

This form contains information on the following topics:

- Changes for the current tax year (non-legislative and legislative)
- Business information (how to enter and update)
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Changes for 2017

The following forms (and separate instructions) were **created** this year:

CT-647, *Farm Workforce Retention Credit*

CT-647-ATT, *Eligible Farm Employee Information for the Farm Workforce Retention Credit*

The following forms (and any separate instructions) were **discontinued** this year:

CT-185, *Cooperative Agricultural Corporation Franchise Tax Return*

CT-259, *Claim for Fuel Cell Electric Generating Equipment Credit*

Article 9

Chapter 60 of the Laws of 2016

Due date for section 183-a – For tax years beginning on and after January 1, 2017, corporations subject to the MTA surcharge imposed under section 183-a must file Form CT-183-M,

Transportation and Transmission Corporation MTA Surcharge Return, on or before April 15 of each year. For more information, see TSB-M-16(9)C, (7)I, *Amendments to Tax Return Due Dates and Extensions*.

Article 9-A

Public Law 86-272 – If you disclaim tax liability in New York State based on Public Law 86-272, but still want to file a New York State franchise tax return, you must also complete Form CT-3, *General Business Corporation Franchise Tax Return*, in its entirety, including marking an **X** on line C and entering **0** on Part 2, line 4. For more information, see Form CT-3-I, *Instructions for Form CT-3*.

New rules for non-captive real estate investment trusts (REITs), and non-captive regulated investment companies (RICs):

- You must mark an **X** in the 1120-REIT or 1120-RIC box on Form CT-3, Part 1, Section C, line 1, to avoid an erroneous assessment or delayed refund.
- Non-captive REITs and non-captive RICs may also elect to use the **8% fixed percentage** method to apportion business receipts from qualified financial instruments (QFIs) on Form CT-3, Part 6, even though they do not mark to market assets under either Internal Revenue Code (IRC) section 475 or 1256.
- **New fixed dollar minimum tax schedule for non-captive REITs and non-captive RICs** – The fixed dollar minimum tax now ranges from a minimum of \$25 to a maximum of \$500. See the tax rate tables in Form CT-3-I.

Definition of business capital – The instructions for Forms CT-3 and CT-3-A, *General Business Corporation Combined Franchise Tax Return*, were updated to clarify that total business capital includes the addback of capital previously reported as investment capital that subsequently does not meet the holding period requirement.

If you were required to report any **nonqualified deferred compensation** under P.L. 110-343, Div. C, §801(d)(2), on your federal return, you must now so state on your New York State tax return. For tax years beginning on or after January 1, 2017, you must mark an **X** in the appropriate box on Form CT-3, CT-3-A, or CT-3-S, *New York S Corporation Franchise Tax Return*. For more information, see the instructions for those forms.

Veterans' Home Assistance Fund contribution – This new fund will be used for the care and maintenance of certain veterans' homes in New York, and will be disbursed equally each fiscal year to the named facilities. A contribution may be made on Forms CT-3, CT-3-A, and CT-3-S. For more information, see the instructions for those forms.

Separate accounting election by a foreign corporate limited partner – Under certain circumstances a corporation may elect to compute its tax by taking into account only its distributive share of each partnership item of receipts, income, gain, loss, and deduction, and its proportionate part of each asset, liability, and partnership activity of the limited partnership. This election is made by the foreign corporate limited partner at the time of filing Form CT-3 or CT-3-S. The election is not revocable and is binding with respect to that partnership interest for all future tax years. A foreign corporation makes the separate accounting election, with respect to a limited partnership, on Form CT-60, *Affiliated Entity Information Schedule*, which must be signed and filed with Form CT-3 or CT-3-S. For more information, see the instructions for those forms.

Affiliated entity information – The instructions for Form CT-60 were updated to clarify that in Schedule B, the term *same interests* includes but is not limited to an alien, foreign, or domestic corporation, partnership, or individual.

Note: If a foreign corporation remains as a nontaxable member of a combined group, such corporation must continue to file Form CT-3-A/BC, *Member's Detail Report*.

The instructions for Form CT-3-S were updated to clarify that the S corporation **must** report to each shareholder that shareholder's pro rata share of the S corporation items reported on Form CT-34-SH, *New York S Corporation Shareholder's Information Schedule*.

MTA surcharge rate and deriving receipts thresholds – For tax years beginning on or after January 1, 2017, and before January 1, 2018, the commissioner has adjusted the MTA surcharge rate to 28.3%.

The commissioner must also annually review the thresholds at which a corporation is deemed to be deriving receipts from activity in the Metropolitan Commuter Transportation District (MCTD) for purposes of imposing the MTA surcharge. The thresholds will not be changed for tax years beginning on or after January 1, 2017, and before January 1, 2018. For more information, see TSB-M-17(1)C, *MTA Surcharge Rate and Deriving Receipts Thresholds for 2017*.

Investment and other exempt income and investment capital – The instructions for Form CT-3.1, *Investment and Other Exempt Income And Investment Capital*, were updated to clarify certain topics:

- The **40% safe harbor election** may be revoked; to do so, file an amended return using actual attribution.
- When computing income **not taxable by New York under the U.S. Constitution** for a combined return, the determination of domicile is done on an entity-by-entity basis. Thus, while the designated agent may be domiciled in New York, other members of the combined group may have constitutional protection.
- Neither gross investment income nor gross other exempt income is included on Form CT-3 or CT-3-A, Part 6.

Prior net operating loss conversion (PNOLC) subtraction – The instructions for Form CT-3.3, *Prior Net Operating Loss Conversion (PNOLC) Subtraction*, were updated to clarify certain topics:

- **50% election:** taxpayers that elected to use up to one-half of the pool in each of the tax years that began on or after January 1, 2015, and before January 1, 2017, may no longer claim the PNOLC subtraction in tax years beginning on or after January 1, 2017; any remaining pool not used is forfeited as of that date.
- **Mergers or liquidations:** Any corporation within the group that has a PNOLC subtraction and that is merged or liquidated must continue to complete its own row after the merger or liquidation.

Net operating loss deduction (NOLD) – Form CT-3.4, *Net Operating Loss Deduction (NOLD)*, and its instructions were updated to clarify certain topics:

- **New lines 5a through 5e** were added to aid in the computation of available NOL for the current year.
- **NOLD limitation** – The NOLD is limited in any tax year to the amount required to reduce what would be the tax on apportioned business income after addback of income previously reported as investment income to the higher of the capital base tax or the fixed dollar minimum tax. For a combined group, the NOLD is limited in any tax year to the amount required to reduce what would be the tax on apportioned combined business income after addback of income previously reported as investment income to the higher of the combined capital base tax or the fixed dollar minimum tax of the designated agent.
- **New Schedules B and C** – Form CT-3-A filers complete Schedules B and C to show the amount of unused NOL available at the beginning of this tax period for new and former members, if any. **New** members complete Schedule B only. **Former** members complete Schedule C only.

Amending the NOLD – For tax years beginning on or after January 1, 2015, Forms CT-3, CT-3-A, and CT-3.4 were updated to clarify that taxpayers need to attach only a copy of the return previously filed with New York State for the loss year along with Form CT-3.4. It is no longer required to include a copy of the federal claim Form 1139, *Corporation Application for Tentative Refund*, or federal Form 1120X, *Amended U.S. Corporation Income Tax Return*, or proof of federal refund approval, *Statement of Adjustment to Your Account*. Since the Article 9-A corporate franchise tax no longer conforms to the federal treatment of net operating losses and deductions, proof of federal refund claim and approval is not required for such tax years.

Manufacturer's real property tax credit – For tax years beginning on or after January 1, 2014, the definition of eligible real property taxes for agricultural businesses and commercial fishermen is expanded for purposes of the credit to include real property tax paid on property leased from a **related** party. Prior to the amendment, eligible real property taxes only included taxes paid on property leased from an unrelated party.

A qualified taxpayer who filed a 2014 or 2015 corporation tax return prior to this legislative change may file an amended return to claim the credit for tax years that began in 2014 or 2015. For more information, see TSB-M-16(2)C, *Additional Revisions to the Real Property Tax Credit For Qualified New York Manufacturers*. Also see Form CT-641, *Manufacturer's Real Property Tax Credit*, and its instructions.

Clean heating fuel credit – This credit, previously set to expire for bioheat purchased after December 31, 2016, is extended to include bioheat purchased before January 1, 2020. Also, bioheat purchased on or after January 1, 2017, must contain at least 6% biodiesel per gallon of bioheat to qualify for the credit. For more information, see TSB-M-16(8)C, (6)I, *Summary of Changes to Existing Tax Credits Enacted as Part of the 2016-2017 New York State Budget*. Also see Form CT-241, *Claim for Clean Heating Fuel Credit*, and its instructions.

Empire State commercial production credit – The credit was extended through tax years beginning before January 1, 2019. The credit was due to expire for tax years beginning on or after January 1, 2017. For more information, see Form CT-246, *Claim for Empire State Commercial Production Credit*, and its instructions.

Taxicab and livery service vehicles accessible to persons with disabilities credit – This credit was extended through tax years beginning before January 1, 2023. The credit was due to expire on December 31, 2016. See Form CT-236, *Credit for Taxicabs and Livery Service Vehicles Accessible to Persons With Disabilities (For costs incurred on or after January 1, 2011)*, and its instructions.

Urban youth jobs program tax credit – The annual allocation for the credit is increased from \$20 million to \$50 million for programs four (tax year 2016) and five (tax year 2017). See Form CT-635, *Urban Youth Jobs Program Tax Credit*, and its instructions.

Article 33

The instructions for the **computation and allocation of subsidiary capital** were updated to clarify the allocation percentage to be used for Article 33 subsidiaries. If the subsidiary is an Article 33 filer of Form CT-33, *Life Insurance Corporation Franchise Tax Return*, or CT-33-A, *Life Insurance Corporation Combined Franchise Tax Return*, use the preceding tax year's *allocation* percentage; if the subsidiary is an Article 33 filer of Form CT-33-NL, *Non-Life Insurance Corporation Franchise Tax Return*, use the preceding tax year's *issuer's allocation* percentage.

Articles 9-A and 33

Chapter 60 of the Laws of 2016

Extension of electronic filing and electronic payment – The electronic filing and electronic payment mandate provisions established under Part U of Chapter 61 of the Laws of 2011 have been extended through December 31, 2019. For more information, see TSB-M-16(4)C, (2)I, (5)S, *Extension of Tax Modernization Provisions Facilitating Tax Compliance*.

Hire a veteran credit – This credit was extended through tax years beginning before January 1, 2019. It was due to expire for tax years beginning on or after January 1, 2017. For more information, see Form CT-643, *Hire a Veteran Credit*, and its instructions.

Low-income housing credit – The statewide aggregate dollar amount of low-income housing credits that may be allocated to eligible low-income housing projects has been increased through 2020. For more information, visit the New York State Homes and Community Renewal website (at www.nyshcr.org).

Extension requests for certain corporations filing as part of a combined group – The designated agent (Article 9-A), or parent (Article 33), of a new or existing combined group will file one Form CT-5.3, *Request for Six-Month Extension to File*, to request a six-month extension of time to file for all corporations included in the combined group, although certain new members or groups may have to file Form CT-5. Non-taxpayer members of a combined group are not required to file a separate request for an extension, regardless of whether they are included on Form CT-5.3. However, neither filing, nor the failure to file, a particular extension request in any way impacts who must be included in a combined group. For more information, see Form CT-5-I, *Instructions for Form CT-5*, or Form CT-5.3-I, *Instructions for Form CT-5.3*.

The instructions for Form CT-225, *New York State Modifications*, and Form CT-225-A, *New York State Modifications (for filers of combined franchise tax returns)*, were updated to clarify that all additions to, and subtractions from, federal taxable income (FTI) should be reported as positive values on Forms CT-3, CT-3-A, CT-3-S, CT-33, and CT-33-A. For more information, see Form CT-225-I, *Instructions for Form CT-225*, and Form CT-225-A-I, *Instructions for Form CT-225-A*.

Articles 9, 9-A, and 33

Amendments to tax return due dates and extension – The Tax Law was amended to change the due dates of certain New York state tax returns. In general, the changes conform to recent changes to federal tax filing deadlines.

In addition, the Commissioner has exercised his authority to change the length of time of automatic extensions for partnership and fiduciary tax returns to conform to the comparable federal extensions.

Although certain corporate tax return due dates were changed, the mandatory first installment (MFI) of the tax and metropolitan transportation business tax (MTA) surcharge are still required to be paid on or before the 15th day of the 3rd month following the close of each tax year. For more information, see TSB-M-16(9)C, (7)I, *Amendments to Tax Return Due Dates and Extensions*.

Changes to the mandatory first installment (MFI) of estimated tax and MTA surcharge – Beginning with payments due on or after March 15, 2017, the Tax Law was amended to require certain corporations to use the **second preceding year's tax** as the basis for determining whether the corporation must make an MFI payment and to determine the amount of the MFI payment. **Also, beginning with payments due on or after March 15, 2017, the MFI payment for most corporate taxpayers will no longer be made on the prior year's tax or MTA surcharge return or with**

a request for an extension of time to file such returns. They must make MFI payments with **new Form CT-300, Mandatory First Installment (MFI) of Estimated Tax for Corporations**.

Taxpayers that do not have a second preceding tax year because a return was not required to be filed do **not** have to make an MFI payment. (These taxpayers still must make a declaration of estimated tax and pay the remaining three installments of estimated tax and MTA surcharge, when applicable.) No changes were made to the MFI requirements for New York S corporations and continuing section 186 corporations; they must continue to remit their MFI payments with the filing of a return or extension request. Section 183 and 185 corporations are still not required to make MFI payments.

For more information, see TSB-M-16(10)C, *Changes to the Mandatory First Installment of Estimated Tax for Corporations*.

Although Form CT-300 is due one month before the due date of the return for the preceding tax year, taxpayers are allowed (but not required) to apply an **estimated overpayment** of tax from prior periods, instead of remitting additional money. For more information, see Form CT-300-I, *Instructions for Form CT-300*. If you have any uncertainty about the available amount of overpayment that could be applied to the MFI, you should satisfy the MFI for tax year 2018 with a payment of new funds, to avoid possible penalties and interest.

On the tax return due one month later, you must take into account the amount of estimated overpayment that was applied to the MFI on Form CT-300 to determine the actual overpayment amount, or the actual balance due amount for the tax period. New **overpayment** calculation lines and rules have been added to many forms, and the instructions for each form contain guidance on how to account for this application of overpayment. See the chart on page 4 in the section *Are you claiming an overpayment?* for a list of the affected forms and lines.

How to fill out your tax return

Business information

Enter the corporation's business information at the top of the first page. Be sure to enter the corporation's mailing name if different from its legal name.

If you need to update your corporation tax address or phone information, you can do so online. Visit our website (see *Need help?*) and look for the change my address option. Otherwise, enter your new address and/or phone number in the appropriate area of your return and mark an **X** in the box under the address. Do not mark an **X** in this box if your address and/or phone number is new since your last filing but was already updated online, or for any change of business information other than your address and/or phone number. Once your corporation tax information is updated online, you do not need to indicate a change of address on any corporation tax forms submitted to the Tax Department (or for any forms for tax types you select to be updated in addition to corporation tax).

If you prefer to change your address by form, use Form DTF-96, *Report of Address Change for Business Tax Accounts*. You must report other changes (such as business name or ID number) on Form DTF-95, *Business Tax Account Update*. You can get these forms from our website or by phone (see *Need help?*).

Entry formats

Entering dates – Unless you are specifically directed to use a different format, enter dates in the *mm-dd-yy* format (using dashes and not slashes).

Negative amounts – Show any negative amounts with a minus (-) sign, unless instructed otherwise.

Percentages – When computing percentages, convert decimals into percentages by moving the decimal point two spaces to the right. Round percentages to four decimal places.

Example: $5,000/7,500 = 0.6666666 = 66.6667\%$.

Whole dollar amounts – You may elect to show amounts in whole dollars rather than in dollars and cents. Round any amount from 50 cents through 99 cents to the next higher dollar. Round any amount less than 50 cents to the next lower dollar.

Are you claiming an overpayment?

If you are claiming an overpayment, mark an **X** in the overpayment box on page 1 of your return to the right of your EIN and file number. The chart below identifies the overpayment line on each New York State corporation tax return.

Note: New overpayment calculation lines and rules have been added to many forms. See the chart below to verify the proper line(s) to use; also see the instructions for the particular form you are filing.

Form	Line number	Form	Line number
CT-3	Part 2, line 24c	CT-183	12
CT-3-A	Part 2, line 25c	CT-183-M	12
CT-3-M	13c	CT-184	15c
CT-3-S	Part 2, line 47	CT-184-M	13c
CT-13	23		
CT-33	22c	CT-186	16
CT-33-A	27c	CT-186-E	13f
CT-33-C	20c	CT-186-M	17
CT-33-M	23c	CT-186-P	18c
CT-33-NL	16c	CT-186-P/M	15c

NAICS business code number and NYS principal business activity

Use Publication 910 to obtain your six-digit North American Industry Classification System (NAICS) code that describes your principal **business activity in New York State**. Your principal business activity outside of New York State may be different, therefore this may not match the NAICS code you reported on your federal tax return.

Limitation on tax credit eligibility

As of April 30, 2014, and applicable to acts committed on or after this date, any taxpayer who stands convicted of an offense defined in New York State Penal Law Article 200 (*Bribery Involving Public Servants and Related Offenses*) or 496 (*Corrupting the Government*), or section 195.20 (*Defrauding the Government*), is **not** eligible for any business credits. There is a question related to this topic on your tax return that **must** be answered in order for the Tax Department to process your return. For more information, visit our website (see *Need help?*).

Third-party designee

If you want to authorize another individual (third-party designee) to discuss this tax return with the New York State Tax Department, mark an **X** in the **Yes** box in the third-party designee area of your return. Also print the designee's name, phone number, e-mail address, and any five-digit number the designee chooses as his or her personal identification number (PIN). If you want to authorize the paid preparer who signed your return to discuss the return with the Tax Department, print the preparer's name in the space for the designee's name and enter the preparer's phone number in the space for the designee's phone number. You do not have to provide the other information requested. If you do not want to authorize another person, mark an **X** in the **No** box.

If you mark the **Yes** box, you are authorizing the Tax Department to discuss with the designee any questions related to this return. You are also authorizing the designee to give and receive confidential taxpayer information relating to:

- this return, including missing information,
- any notices or bills arising from this filing that you share with the designee (they will not be sent to the designee),
- any payments and collection activity arising from this filing, and
- the status of your return or refund.

This authorization will not expire but will only cover matters relating to this return. If you decide to revoke this designee's authority at any time, call us (see *Need help?*).

You are not authorizing the designee to receive your refund, bind you to anything (including any additional tax liability), or otherwise represent you before the Tax Department. If you want someone to represent you or perform services for you beyond the scope of the third-party designee, you must designate the person using a power of attorney (for example, Form POA-1, *Power of Attorney*).

Paid preparer identification numbers

Paid preparer's responsibilities – Under the law, all paid preparers must sign and complete the paid preparer section of the return. Paid preparers may be subject to civil and/or criminal sanctions if they fail to complete this section in full.

When completing the paid preparer section, you must enter your New York tax preparer registration identification number (NYTPRIN) if you are required to have one. If you are not required to have a NYTPRIN, enter in the *Excl. code* box one of the specified 2-digit codes listed below that indicates why you are exempt from the registration requirement. You **must** enter a NYTPRIN or an exclusion code. (Information on the New York State Tax Preparer Registration Program is available on our website (see *Need help?*)). In addition, you must enter your federal preparer tax identification number (PTIN) if you have one; if not, you must enter your social security number (SSN). (PTIN information is available at www.irs.gov.)

Code	Exemption type	Code	Exemption type
01	Attorney	02	Employee of attorney
03	CPA	04	Employee of CPA
05	PA (Public Accountant)	06	Employee of PA
07	Enrolled agent	08	Employee of enrolled agent
09	Volunteer tax preparer	10	Employee of business preparing that business' return

See our website for more information about the tax preparer registration requirements.

Important reminder to file a complete return: You must complete all required schedules and forms that make up your return, and include **all pages** of those forms and schedules when you file. Returns that are missing required pages or that have pages with missing entries are considered incomplete and cannot be processed, and may subject taxpayers to penalty and interest.

Is your return in processible form?

Returns must be prepared in a manner that will permit their routine handling and processing and include all pages. We will not pay interest on an overpayment of taxes until a return is in a processible form which includes a required signature.

Use of reproduced and computerized forms

Photocopies of returns are acceptable if they are of good quality and have an original signature in the proper place. We will accept computer-produced corporation tax returns if they meet our printing specifications. For more information, see Publication 76, *Specifications for Reproduction of New York State Corporation Tax Forms*.

General information

Electronic filing and electronic payment mandate

Certain tax preparers using tax software to prepare tax documents, and certain taxpayers preparing their own tax documents using tax software, must, for the applicable calendar year and all succeeding calendar years, e-file all documents authorized by the Commissioner to be e-filed. Any tax liability or other amount due required to be paid with a tax document that must be e-filed may also be required by the Commissioner to be e-paid. Where e-pay is required, payment must be made via electronic means.

Online services

Create an Online Services account and log in to:

- make payments
- view your filing and payment history
- get email notifications for refunds, bills, and notices
- respond to bills and notices

Access is available 24 hours a day, 7 days a week.

For more information, visit our website (search: Online Services).

Web File

You can Web File Forms CT-400, *Estimated Tax for Corporations*, and CT-300, *Mandatory First Installment (MFI) of Estimated Tax for Corporations*, on our website (see *Need help?*). You will need to create an *Online Services* account or log into your existing one, and select the corporation tax estimated payment option.

You can also Web File the following extension requests:

- Form CT-5, *Request for Six-Month Extension to File (for franchise/business taxes, MTA surcharge, or both)*
- Form CT-5.3, *Request for Six-Month Extension to File (for combined franchise tax return, or combined MTA surcharge return, or both)*
- Form CT-5.4, *Request for Six-Month Extension to File New York S Corporation Franchise Tax Return*
- Form CT-5.6, *Request for Three-Month Extension to File Form CT-186 (for utility corporation franchise tax return, MTA surcharge return, or both)*
- Form CT-5.9, *Request for Three-Month Extension To File (for certain Article 9 tax returns, MTA surcharge, or both)*
- Form CT-5.9-E, *Request for Three-Month Extension to File Form CT-186-E (for telecommunications tax return and utility services tax return)*

Benefits of Web filing include:

- direct payment from your bank account or by ACH credit
- instant confirmation

For more information, visit our website and select the corporation tax Web File option.

Form CT-200-V, Payment Voucher for E-Filed Corporation Tax Returns and Extensions

This form is a payment voucher for taxpayers who e-file their forms but cannot e-pay and need to pay with a paper check or money order. Form CT-200-V is for use only for returns or extensions that were e-filed and should never accompany a paper-filed return.

Collection of debts from your refund or overpayment

We will keep all or part of your refund or overpayment if you owe a past-due, legally enforceable debt to a New York State agency, or if you owe a New York City tax warrant judgment debt. We may also keep all or part of your refund or overpayment if you owe a past-due legally enforceable debt to another state, provided that state has entered into a reciprocal agreement with New York State. If we keep your refund or overpayment, we will notify you.

A New York State agency includes any state department, board, bureau, division, commission, committee, public authority, public benefit corporation, council, office, or other entity performing a governmental or proprietary function for the state or a social services district. We will refund or apply as an overpayment any amount over your debt.

The Tax Department is authorized to charge the taxpayer, as part of the taxpayer's tax debt, any cost or fee imposed or charged by the United States, or any state, for the payment or remittance of a taxpayer's overpayment to satisfy a New York State tax debt.

If you have any questions about whether you owe a past-due, legally enforceable debt to a state agency, or to another state, or whether you owe a New York City tax warrant judgment debt, contact the state agency, the other state, or the New York City Department of Finance.

For New York State tax liabilities only, call (518) 457-5434 or write to: NYS Tax Department, Civil Enforcement Division, W A Harriman Campus, Albany NY 12227-4000.

More collection options for New York State

If you owe unpaid debt to New York State, we may collect your debt by taking money from, or offsetting, payments owed you by the federal government or by another state. Reciprocal offset agreements also allow the federal government, as well as other states, to collect delinquent non-tax debt by offsetting payments owed you by New York State.

Lottery prizes applied against tax liabilities – As a result of matching names of those owing tax liabilities to New York against the names of those winning lottery prizes in excess of \$600, the Tax Department may automatically apply all or part of the lottery prize against any outstanding liabilities for taxes we administer.

Fee for payments returned by banks

The law allows the Tax Department to charge a \$50 fee when a check, money order, or electronic payment is returned by a bank for nonpayment. However, if an electronic payment is returned as a result of an error by the bank or the department, the department will not charge the fee. If your payment is returned, we will send a separate bill for \$50 for each return or other tax document associated with the returned payment.

Reporting requirements for tax shelters

The Tax Law requires taxpayers to report information about transactions that present the potential for tax avoidance (tax shelters). There are separate reporting requirements for those who use tax shelters and for those who promote the use of tax shelters. For the most recent information on these reporting requirements, visit our website.

Tax shelter penalties

The Tax Law provides penalties for failure to disclose certain transactions and related information regarding tax shelters and for the underpayment of taxes due to participation in these shelters. For more information, refer to TSB-M-05(2)C, *Disclosure of Certain Transactions and Related Information Regarding Tax Shelters*.

Voluntary Disclosure and Compliance Program

The Voluntary Disclosure and Compliance Program provides relief from certain penalties and criminal prosecution to eligible taxpayers who come forward and reveal previously undisclosed liabilities. For more information, see TSB-M-08(11)C, *Voluntary Disclosure and Compliance Program*.

Your rights under the Tax Law

The Taxpayer Bill of Rights requires, in part, that the Tax Department advise you, in writing, of your rights and obligations during an audit, when you appeal a departmental decision, and when your appeal rights have been exhausted and you need to understand enforcement capabilities available to the department to obtain payment. For a complete copy of the information contained in all of these statements, you may obtain Publication 131, *Your Rights and Obligations Under the Tax Law*, by visiting our website or by calling (see *Need help?*).

Need help?



Visit our website at **www.tax.ny.gov**

- get information and manage your taxes online
- check for new online services and features

Telephone assistance

Corporation Tax Information Center:	518-485-6027
To order forms and publications:	518-457-5431
Text Telephone (TTY) or TDD equipment users	Dial 7-1-1 for the New York Relay Service

Privacy notification

New York State Law requires all government agencies that maintain a system of records to provide notification of the legal authority for any request for personal information, the principal purpose(s) for which the information is to be collected, and where it will be maintained. To view this information, visit our website, or, if you do not have Internet access, call and request Publication 54, *Privacy Notification*. See *Need help?* for the Web address and telephone number.
