



Instructions for Form CT-43

Claim for Special Additional Mortgage Recording Tax Credit

General information

You may claim as a credit against your franchise tax certain special additional mortgage recording tax you paid.

A tax credit is not allowed for the special additional mortgage recording tax paid on **residential** mortgages (defined below) if the real property is located in Erie County or any of the counties within the Metropolitan Commuter Transportation District (MCTD). The MCTD includes the counties of New York, Bronx, Queens, Kings, Richmond, Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk, and Westchester.

A *residential mortgage* is defined as a mortgage of real property that has been or will be principally improved by one or more structures containing a total of not more than six **residential** dwelling units, each with its own separate cooking facilities.

Article 9-A taxpayers who, **as mortgagees**, paid the special additional mortgage recording tax on residential mortgages in any tax year beginning on or after January 1, 2015, may elect to treat the unused portion of special additional mortgage recording tax credit attributable to such mortgages as an overpayment of tax to be credited or refunded, instead of as a carryforward. Any carryforward of the credit from a prior period is **not** eligible to be refunded.

New York S corporations taxable under Article 9-A may apply this credit against the franchise tax, or carry it forward, or treat it as an overpayment of tax as discussed above. Credit earned by the S corporation **does not flow through** to the shareholders to be claimed against their personal income tax liability.

When claiming this credit, you must add back to your entire net income the amount of the special additional mortgage recording tax used as a deduction in the computation of federal taxable income. (See TSB-M-87(7)C, *Special Additional Mortgage Recording Tax Credit Disallowed on Certain Real Property*, and TSB-M-87(10)C, *Special Additional Mortgage Recording Tax Credit Disallowed on Certain Real Property Located in Erie County*, for more information.)

For corporations filing franchise tax return Form CT-3, CT-3-A, CT-3-S, CT-33, or CT-33-A, the gain or loss on the sale of real property on which the special additional mortgage recording tax credit was claimed must be increased, in the case of a gain, or decreased, in the case of a loss, when all or any portion of the credit was used in the basis for computing federal gains.

Line instructions

Complete the beginning and ending tax period boxes in the upper right corner on page 1.

Computation of credit

Additional sheets – If you have more entries than will fit on the lines provided, attach additional sheets in the same format. Include your name and taxpayer identification number on each sheet and attach them and Form CT-43 with your return.

Enter the information, including the complete address of the property, and amount of special additional mortgage recording tax paid on each mortgage recorded for this tax year that is eligible for this credit. If you are the lender, enter the amount of special additional mortgage recording tax you paid to record a residential mortgage.

Line 1b – Enter any amount of special additional mortgage recording tax credit received from a flow-through entity. Attach a statement showing the name, employer identification number (EIN), and amount of credit received from each entity.

Computation of special additional recording tax credit used and available to be carried forward

Lines 4 and 7 entries table

If you filed	Enter on line 4 any net recaptured tax credits plus the amount from	Enter on line 7 the minimum tax below
Form CT-3	Part 2, line 2	Part 2, line 1c
Form CT-3-A	Part 2, line 2	Part 2, line 1c
Form CT-3-S	Part 2, Line 23	Part 2, Line 23
Form CT-33	Line 11	250
Form CT-33-A	Line 15	Line 4 plus line 12
Form CT-33-NL	Line 5	250
Form CT-183	Line 4	75
Form CT-184	Line 3 or line 4	0
Form CT-186	Line 5	125

Line 4 – Enter your tax due before credits using the *Lines 4 and 7 entries table*.

Line 5 – If you are claiming more than one tax credit for this year, enter the amount of credit(s) you want to apply against your franchise tax due before the application of the special additional mortgage recording tax credit. Otherwise, enter **0**.

You must apply certain credits before the special additional mortgage recording tax credit. Refer to the instructions of your franchise tax return to determine the order of credits that applies.

Article 9-A taxpayers: Refer to Form CT-600-I, *Instructions for Form CT-600, Ordering of Corporation Tax Credits*.

If you are included in a combined return, include any amount of tax credit(s), including special additional mortgage recording tax credit(s), being claimed by other members of the combined group that you want to apply before your special additional mortgage recording tax credit.

CT-33 and CT-33-A filers, including unauthorized insurance corporations: Do not enter on this line any amount of empire zone (EZ) wage tax credit(s), zone equivalent area (ZEA) wage tax credit(s), or EZ capital tax credit(s) you may be claiming. If you are included in a combined return, do not include any amount of these credits being claimed by other members of the combined group.

Line 7 – Enter your minimum tax using the *Lines 4 and 7 entries table*.

Line 9 – Enter the lesser of line 3 or line 8. Transfer this amount to your franchise tax return.

Article 9-A taxpayers only: To claim a credit or refund of the special additional mortgage recording tax credit, complete lines 11 through 15.

Refund or credit and carryforward of special additional mortgage recording tax credit (*Article 9-A taxpayers only*)

Line 11 – Enter only that amount from lines 1a and 1b that represents special additional mortgage recording tax paid during the **current** tax year for recording of **residential** mortgages.

Line 12 – Enter the lesser of line 10 or line 11.

Lines 13 and 14 – Transfer these amounts to your franchise tax return.

Include the line 13 amount on Form CT-3, Part 2, line 29; Form CT-3-A, Part 2, line 30; or Form CT-3-S, Part 2, line 50.

Include the line 14 amount on Form CT-3, Part 2, line 30; Form CT-3-A, Part 2, line 31; or Form CT-3-S, Part 2, line 51.

Need help? and Privacy notification

See Form CT-1, *Supplement to Corporation Tax Instructions*.
