



# Instructions for Form CT-60

## Affiliated Entity Information Schedule

### Who must file Form CT-60

You must file Form CT-60 if you are a corporation subject to tax under Article 9-A and you have included the activities of any of the following on your return:

- a qualified subchapter S subsidiary (QSSS),
- a single member limited liability company (SMLLC), **or**
- a tax-exempt domestic international sales corporation (DISC).

File one Form CT-60 to provide general information about **all** such entities, and to inform the Tax Department that the income, deductions, credits, and other tax attributes of these entities are included on your New York State franchise tax return. This will also notify the Tax Department that such entities will not be filing a separate franchise tax return for that tax period.

You must also file Form CT-60 if:

- you are a federal S corporation but are filing as a New York C corporation,
- you are a partner in a partnership,
- you are a federal QSSS where New York State does **not** follow federal QSSS treatment, **or**
- you have affiliated entities.

If a combined return is being filed, the designated agent for the combined group is responsible for filing one Form CT-60 with the requested information for **all** members of the group.

### Line instructions

If you have more detail than will fit on the line or lines provided, use multiple lines or attach additional sheets in the same format. Include your name and taxpayer identification number on each sheet and attach them and Form CT-60 to your return.

### Schedule A – Federal S corporation information

In Part 1, enter the information for each QSSS whose activities are being included in your New York franchise tax return (include both required and elective QSSS inclusions). If a combined return is being filed, the designated agent **must** include on the Form CT-60 being filed for the entire combined group, the requested information for **all** QSSS(s) whose activities are being included with the activities of any member of the combined group.

In Part 2, **only** enter the information for each QSSS for which you are making (or continuing) a QSSS inclusion election. If a combined return is being filed, the designated agent **must** include the requested information for **all** QSSS(s) for which a QSSS inclusion election is being made or continued with the filing of such combined return.

**Note:** Do **not** include any excluded QSSS in either Part 1 or Part 2. An excluded QSSS is a QSSS that is taxable (or a nontaxpayer QSSS that would be taxable) under Article 9 (section 183, 184, 185, or 186) or Article 33.

### QSSS parent information

The filing requirements impacting corporations that are the parent of a QSSS and corporations that are a QSSS are outlined in the instructions for your franchise tax return. In all cases where New York State follows federal QSSS treatment, the parent and QSSS will file a franchise tax return as one distinct

entity (such return may be a Form CT-3, CT-3-S, or CT-3-A, as applicable). The QSSS will be ignored as a separate taxable entity, and the income, deductions, credits, and other tax attributes of the QSSS will be included on the parent's franchise tax return. However, with regard to other taxes under the Tax Law, such as sales and excise taxes, the QSSS will continue to be recognized as a separate corporation.

The QSSS parent corporation is an S corporation for federal purposes, but may be either a C corporation or an S corporation for New York State tax purposes. Accordingly, Form CT-60 applies to the following franchise tax returns: Forms CT-3, CT-3-A, and CT-3-S.

### Employer identification number (EIN) or temporary filing (TF) number

If the QSSS has or had a federal EIN, enter that number in the appropriate box. If the QSSS does not have an EIN, enter the TF identification number assigned by the New York State Tax Department. This number was assigned when the corporation first incorporated or became authorized to do business in New York State. If the QSSS does not have an EIN or TF number, enter **none**.

### Effective date of federal QSSS election

Enter the effective date of the federal QSSS election made for the subsidiary. If the effective date falls on a date other than the first day of the subsidiary's tax year, the subsidiary must file a short period return if it was subject to tax in New York State prior to the effective date.

### Part 1 – QSSS inclusion

If you are a New York S corporation filing Form CT-3-S, include every QSSS that you own, regardless of whether the QSSS is itself subject to tax in New York State. Also include any lower tier QSSS owned by any QSSS you own. Do **not** complete Part 2.

If you are a New York C corporation filing Form CT-3 or CT-3-A, include every QSSS that you own that is itself taxable in New York State, but do not include a nontaxpayer QSSS unless a QSSS inclusion election has been made for that nontaxpayer QSSS (see Part 2). Also include any lower tier QSSS owned by any QSSS you own, if the lower tier QSSS is itself taxable in New York State or if a QSSS inclusion election has been made.

### Part 2 – QSSS elective inclusion

A New York C corporation filing Form CT-3 or CT-3-A may elect to include on its franchise tax return a QSSS that is not taxable in New York State. The election is effective for the tax year for which the election is made, and for all succeeding tax years of the corporation until such election is terminated. Once made, the QSSS inclusion election is binding for the tax year for which it is made and may not later be changed by filing an amended return. The election is made by completing Part 2.

You are required to complete Part 2 for each succeeding tax year for which the QSSS is included in the franchise tax return of the New York C corporation. If a QSSS for which the election had been made for a previous tax year is not included on Part 2, it indicates termination of the election. If you elect to include a particular QSSS, you must also include any lower tier QSSS owned by that QSSS.

### Part 3 – 1120S shareholder information

If you are a federal S corporation filing as a New York C corporation, or a federal QSSS where New York State is not following federal QSSS treatment, provide names, addresses, and EIN or SSN(s) of your shareholders.

### Schedule B – Other related entities

For lines 2 through 10, read each line and mark an **X** in any box(es) that apply. Attach federal Form 851, if applicable. If a combined return is being filed, the designated agent should read *you* or *your* as referring to **each** member of the combined group. For example, if members of the same combined group file as members of different federal consolidated groups, enter the total number of all corporations that are included in all federal consolidated groups on line 4a.

For purposes of lines 5 and 6, the term *same interests* includes, but is not limited to, an alien, foreign, or domestic corporation, partnership, or individual.

**Example:** *The taxpayer, Corporation A, owns 100% of the voting power of the capital stock of Corporation B. Corporation B owns 51% of the voting power of the capital stock of Corporation C. Corporation C owns 40% of the voting power of the capital stock of Corporation D. Individual X owns 100% of the voting power of the capital stock of Corporation A and also owns 20% of the voting power of the capital stock of Corporation D. Corporations A, B, C, and D satisfy the capital stock requirement to be included in a combined report because they are all directly or indirectly controlled by the same interests, namely Individual X.*

### Part 3 – Entities taxable as partnerships

If you are a partner in partnership(s), mark an **X** in the box on line 9 and complete this part, listing all such partnerships. If using the *entity method* for any partnership listed, mark an **X** in the box in the *entity method* column on that partnership's line. When making the *separate accounting election* for any partnership listed, or if you previously made such election for any partnership listed, mark an **X** in the box in the *separate accounting election* column on that partnership's line. If you previously made the separate accounting election for any partnership, also enter the date of such election. **Note:** The separate accounting election is irrevocable. For each partnership listed in Part 3, also include any lower tier partnerships owned by your partnership. If a combined return is being filed, the designated agent should read this instruction as applying to **each** member of the combined group.

### Part 4 – SMLLCs and tax-exempt DISCs

If you have included income, gains, losses, deductions, credits, or other tax attributes from a SMLLC or a tax-exempt DISC on your New York State franchise tax return, complete this part. Also include any lower tier SMLLCs and tax-exempt DISCs owned by your SMLLC or tax-exempt DISC. **Do not** include any entity already listed in Schedule A, Parts 1 and 2, or Schedule B, Part 3. If a combined return is being filed, the designated agent should read this instruction as applying to **each** member of the combined group.

## Signature

The document must be certified by the president, vice president, treasurer, assistant treasurer, chief accounting officer, or other officer authorized by the taxpayer corporation.

The document of an association, publicly traded partnership, or business conducted by a trustee or trustees must be signed by a person authorized to act for the association, publicly traded partnership, or business.

If an outside individual or firm prepared the document, all applicable entries in the paid preparer section must be completed, including identification numbers (see *Paid preparer identification numbers* in Form CT-1).

Failure to sign the document will delay the processing of any refunds and may result in penalties.

## Need help? and Privacy notification

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

---