



# Instructions for Forms CT-33-A, CT-33-A/ATT, and CT-33-A/B

## Life Insurance Corporation Combined Franchise Tax Return

Tax Law – Article 33

**CT-33-A-I**

### Form CT-1, Supplement to Corporation Tax Instructions

See Form CT-1 for the following topics:

- Changes for the current tax year (general and by Tax Law Article)
- Business information (how to enter and update)
- Entry formats
  - Dates
  - Negative amounts
  - Percentages
  - Whole dollar amounts
- Are you claiming an overpayment?
- NAICS business code number and NYS principal business activity
- Limitation on tax credit eligibility
- Third-party designee
- Paid preparer identification numbers
- Is your return in processible form?
- Use of reproduced and computerized forms
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- Collection of debts from your refund or overpayment
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- Reporting requirements for tax shelters
- Tax shelter penalties
- Voluntary Disclosure and Compliance Program
- Your rights under the Tax Law
- Need help?
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### General information

#### Corporations subject to tax under Article 33:

- Domestic insurance corporations for the privilege of exercising a corporate franchise. A domestic insurance corporation that is transacting the business of life insurance files Form CT-33, *Life Insurance Corporation Franchise Tax Return*, or when included in a combined group, Form CT-33-A.
- Foreign and alien insurance corporations doing business, employing capital, owning or leasing property, or maintaining an office in this state. Such an insurance corporation that is transacting the business of life insurance files Form CT-33, or when included in a combined group, Form CT-33-A.

An **unauthorized** non-life insurance corporation, as well as an **unauthorized** life insurance corporation, doing business, employing capital, owning or leasing property in New York State in a corporate or organized capacity, or maintaining an office in New York State is subject to a franchise tax under Tax Law, Article 33, section 1501(a). This includes unauthorized life insurance corporations affiliated with an insurer licensed in this state, and operating from an office within this state pursuant to New York State Insurance Law sections 1101(b)(5) and 2117(i). The tax is then computed under Article 33 section 1502, which provides that the tax will be the greatest amount of tax computed on: (1) a tax on allocated entire net income (ENI); (2) a tax on allocated business and investment capital; (3) a tax on a prescribed

portion of ENI, plus salaries and other compensation of elected or appointed officers and certain stockholders; or (4) a fixed dollar minimum tax of \$250, plus a tax on allocated subsidiary capital. An **unauthorized** insurance corporation is not subject to the premiums tax under Tax Law, Article 33, section 1502-a, and must file either Form CT-33 or when properly included in a combined group, Form CT-33-A. When included in a combined group on Form CT-33-A, the premiums of the unauthorized insurance corporation are not included in the computation of either the additional premiums tax under Article 33 section 1510 or the limitations on tax under Tax Law, Article 33, section 1505. However, any such premiums that were ceded to an authorized insurance corporation that is included in the combined group are included by the authorized insurance corporation in its computation of the additional premiums tax under section 1510 and the limitations on tax under section 1505. For more information, see TSB-A-09(2)C, *Service Lloyds Insurance Company*, and TSB-M-12(4)C, *Filing Requirements and the Calculation of Tax for Unauthorized Insurance Corporations*.

- Any life insurance company whose *Certificate of Authority* from the Superintendent of Financial Services has expired, or that ceases to transact new business in this state, but has business remaining in force in this state.
- Insurance corporations exempt from federal income tax but that conduct business in this state.

**Note:** Other than corporations transacting the business of life insurance, the following insurance corporations must file Form CT-33-NL, *Non-Life Insurance Corporation Franchise Tax Return*:

- those authorized to transact business in this state under a certificate of authority from the Department of Financial Services;
- risk retention groups as defined in Insurance Law section 5902(n); and
- for profit health maintenance organizations (HMOs).

**Exceptions:** Life insurance corporations specifically exempted by Tax Law, Article 33, section 1512 do not have to file Form CT-33 or Form CT-33-A. Captive insurance companies licensed by the Superintendent of Financial Services under Insurance Law Article 70 must file Form CT-33-C, *Captive Insurance Company Franchise Tax Return*. Combinable captive insurance companies must file on a combined return under Article 9-A.

### Definitions

**Definition of insurance corporation** – An *insurance corporation* as defined by Tax Law, Article 33, section 1500 includes any corporation, association, joint stock company or association, person, society, aggregation, or partnership, doing an insurance business. It does not include any combinable captive insurance company. For a complete definition, see Tax Law section 1500(a).

**Definition of real estate investment trust (REIT)** – A *REIT* is a real estate investment trust as defined in Internal Revenue Code (IRC) section 856.

**Definition of regulated investment company (RIC)** – A *RIC* is a regulated investment company as defined in IRC section 851.

**Definition of captive REIT** – A *captive REIT* is a REIT that is not regularly traded on an established securities market, and more than 50% of the voting stock of which is owned or controlled, directly or indirectly, by a single entity treated as an association taxable as a corporation under the IRC that is not exempt from federal income tax and is not a REIT. Any voting stock in a REIT that is held in

a segregated asset account of a life insurance corporation (as described in IRC section 817) shall not be taken into account for purposes of determining whether a REIT is a captive REIT.

Any listed Australian property trust or qualified foreign entity that satisfies certain criteria shall not be considered a captive REIT. For more information, see Tax Law, Article 1, section 2.9.

**Definition of captive RIC** – A *captive RIC* is a RIC (a) that is not regularly traded on an established securities market, and (b) more than 50% of the voting stock of which is owned or controlled, directly or indirectly, by a single corporation that is not exempt from federal income tax and is not a RIC. Any voting stock in a RIC that is held in a segregated asset account of a life insurance corporation (as described in IRC section 817) shall not be taken into account for purposes of determining whether a RIC is a captive RIC.

**Definition of closest controlling stockholder** – The *closest controlling stockholder* means the corporation that indirectly owns or controls over 50% of the voting stock of a captive REIT or captive RIC, is subject to tax under Tax Law, Article 33, section 1501, or Article 9-A, or required to be included in a combined return or report under Article 33 or 9-A, and is the fewest tiers of corporations away in the ownership structure from the captive REIT or captive RIC. The commissioner is authorized to prescribe by regulation or published guidance the criteria for determining the closest controlling stockholder.

### Who must file a combined return

A taxpayer must file a combined return with any related corporations if there are substantial intercorporate transactions among the related corporations, regardless of the transfer price for such intercorporate transactions. It is not necessary that there be substantial intercorporate transactions between any one corporation and every other related corporation. However, it is necessary that there be substantial intercorporate transactions between the taxpayer and the related corporation or, collectively, a group of such related corporations.

Examples of *related corporations* include the following:

- The taxpayer owns or controls, either directly or indirectly, 80% or more of the voting capital stock of all the other corporations that are to be included in the combined return.
- 80% or more of the voting capital stock of the taxpayer is owned or controlled, either directly or indirectly, by other corporations that are to be included in the combined return.
- 80% or more of the voting capital stock of the taxpayer and 80% or more of the voting capital stock of the other corporations that are to be included in the combined return are owned or controlled, either directly or indirectly, by the same interests.

To determine if there are substantial intercorporate transactions, the Commissioner of Taxation and Finance considers and evaluates all activities and transactions of the taxpayer and its related corporations. Activities and transactions considered include but are not limited to:

- manufacturing, acquiring goods or property, or performing services, for related corporations;
- selling goods acquired from related corporations;
- financing sales of related corporations;
- performing related customer services using common facilities and employees for related corporations;
- selling policies or contracts of insurance for related corporations;
- reinsuring risk for related corporations;
- collecting premiums or other consideration for any policy or contract of insurance for related corporations;
- incurring expenses that benefit, directly or indirectly, one or more related corporations; and

- transferring assets, including such assets as accounts receivable, patents, or trademarks, from one or more related corporations.

The combined reporting rules outlined for Article 33 taxpayers in TSB-M-08(2)C, *Combined Reporting for General Business Corporations (including Real Estate Investment Trusts and Regulated Investment Companies) and Insurance Corporations*, are applicable to combined returns filed under Tax Law section 1515(f) except where otherwise provided by the Tax Law or 20 NYCRR, Part 33.

In following the steps set forth in TSB-M-08(2)C, that are used to determine whether a combined report is required, and, if so, which corporations are included in such report, at the last step any of the following corporations must be eliminated from the tentative combined group:

- corporations formed under the laws of another country
- corporations taxable under another franchise tax imposed by the Tax Law (or would be taxable under another franchise tax if subject to tax)
- insurance corporations subject to the tax imposed by Tax Law section 1502-a
- captive insurance corporations subject to the tax imposed under Tax Law section 1502-b

A captive REIT or a captive RIC must be included in a combined return with the corporation that directly owns or controls over 50% of the voting stock of the captive REIT or captive RIC, if that corporation is a life insurance corporation.

If over 50% of the voting stock of a captive REIT or captive RIC is directly owned or controlled by an insurance corporation, other than an insurance company subject to tax under Tax Law section 1502-a, that is subject to tax or required to be included in a combined return under Article 33, then the captive REIT or captive RIC must be included in a combined report or return with such insurance corporation under Article 33. If over 50% of the voting stock of a captive REIT or captive RIC is not directly owned or controlled by an insurance corporation that is subject to tax or required to be included in a combined return under Article 33, and the closest controlling stockholder of the captive REIT or captive RIC is an insurance corporation that is subject to tax or required to be included in a combined return under Article 33, then the captive REIT or captive RIC must be included in such combined return with the closest controlling stockholder under Article 33.

If a captive REIT owns the stock of a qualified REIT subsidiary (as defined in IRC section 856(i)(2)), and the captive REIT is required to be included in a combined return, then the qualified REIT subsidiary must be included in any combined return required to be made by the captive REIT that owns the stock of the qualified REIT subsidiary.

If a captive REIT or a captive RIC is required under these provisions to be included in a combined return with another corporation, and that other corporation is required to be included in a combined return with another corporation under these provisions, then the captive REIT or the captive RIC must be included in that combined return with the other corporation.

Except as provided in Tax Law, Article 33, section 1515(f)(1), a combined return including any corporation is not required unless the Commissioner of Taxation and Finance deems inclusion necessary to properly reflect the tax liability under this Article (see Tax Law section 1515(f)).

### Reporting period

Your tax year for all members of the combined group in New York State must be the same as the federal tax year.

Use this tax return for calendar year 2020 and fiscal years that begin in 2020 and end in 2021.

You can also use the 2020 return if:

- you have a tax year of less than 12 months that begins and ends in 2021, **and**
- the 2021 return is not yet available at the time you are required to file the return.

In this case you must show your 2021 tax year on the 2020 return and take into account any tax law changes that are effective for tax years beginning after December 31, 2020.

All filers must complete the beginning and ending tax year boxes in the upper right corner on page 1 of the form.

### Which forms to file

Each member of the combined group, including the parent, must complete and sign Form CT-33-A/ATT, *Schedules A, B, C, D, and E – Attachment to Form CT-33-A*.

A combined group with more than one subsidiary must file Form CT-33-A/B, *Subsidiary Detail Spreadsheet*, which must include all the individual member information. The lines on this form are identical to the lines on Form CT-33-A; therefore separate line instructions are not needed.

If your New York State combined group is newly formed, you must complete Form CT-51, *Combined Filer Statement for Newly Formed Groups Only*. Follow the instructions on Form CT-51.

If your New York State combined group received Form CT-50, *Combined Filer Statement for Existing Groups*, you must verify its accuracy. Follow the instructions on Form CT-50.

### Metropolitan transportation business tax (MTA surcharge)

**Article 33 section 1505-a** – Any insurance corporation taxable under Article 33 that does business, employs capital, owns or leases property, or maintains an office in the Metropolitan Commuter Transportation District (MCTD) must file Form CT-33-M, *Insurance Corporation MTA Surcharge Return*, and pay the MTA surcharge imposed by section 1505-a. The MCTD includes the counties of New York, Bronx, Kings, Queens, Richmond, Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk, and Westchester. Corporations not doing business in the MCTD must disclaim liability for the tax surcharge by answering *No* to the question on page 1 of Form CT-33-A. They are not required to file Form CT-33-M.

### When and where to file

File your return within 3½ months after the end of your reporting period. If you are reporting for the calendar year, file your return on or before April 15. If your filing date falls on a Saturday, Sunday, or legal holiday, then you must file your return on or before the next business day.

If you cannot meet this filing deadline, you may request a six-month extension of time by filing Form CT-5.3, *Request for Six-Month Extension to File (for combined franchise tax return, or combined MTA surcharge return, or both)*.

Mail returns to: **NYS CORPORATION TAX  
PO BOX 15181  
ALBANY NY 12212-5181**

**Private delivery services** – See Publication 55, *Designated Private Delivery Services*.

Also mail a copy to: **NYS DEPARTMENT OF FINANCIAL SERVICES  
OFFICE OF FINANCIAL MANAGEMENT  
ONE COMMERCE PLAZA  
ALBANY NY 12257**

### Exception for computerized returns

Form CT-33-A/B exception: If you wish, you may substitute a computer printout that replicates all the information requested on Form CT-33-A/B. You may reduce the printout to fit on 8½-by-11-inch paper. This exception applies to Form CT-33-A/B and **not** to Form CT-33-A or most other corporation tax forms. See *Use of reproduced and computerized forms* in Form CT-1.

### Amended return

If you are filing an amended return, mark an **X** in the *Amended return* box on the top of Form CT-33-A.

If you file an amended federal return, you must file an amended New York State return within 90 days (120 days if filing an amended combined return) thereafter.

### For amended returns based on changes by the Internal Revenue Service (IRS)

– If any of the taxable income amounts listed here have been changed or corrected by a final determination of the Commissioner of Internal Revenue, you must file an amended return reflecting the federal changes within 90 days (120 days if filing an amended combined return) of the final federal determination. For a definition of final determination, see 20 NYCRR, Section 6-1.3(b).

- Life insurance company taxable income
- Taxable income of a partnership
- Taxable income or alternative minimum taxable income of any taxpayer

You must attach a copy of federal Form 4549, *Income Tax Examination Changes*, to your amended return.

### For credits or refunds based upon carryback of a net operating loss (NOL)

– To claim a credit or refund resulting from the carryback of an NOL to a prior year, file an amended return within 90 days (120 days if filing an amended combined return) from the date of the document indicating approval of the federal refund or credit.

You must attach the following to your amended return:

- federal claim Form 1139, *Corporation Application for Tentative Refund*, amended consolidated Form 1120-L, *U.S. Life Insurance Company Income Tax Return*, or amended consolidated Form 1120-PC, *U.S. Property and Casualty Insurance Company Return*;
- a copy of the New York State return for the loss year; and
- proof of federal refund approval, *Statement of Adjustment to Your Account*.

**For credits or refunds of corporation tax paid** – To claim any refund type that requires an amended return, other than an NOL carryback (see *For credits or refunds based upon carryback of a net operating loss (NOL)*), file an amended New York State return for the year being amended and, if applicable, attach a copy of the claim form filed with the IRS and proof of federal refund approval, *Statement of Adjustment to Your Account*.

The amended return must be filed within three years of the date the original return was filed or within two years of the date the tax was paid, whichever is later. If you did not file an original return, you must make the request within two years of the date the tax was paid. However, a claim for credit or refund based on a federal change must be filed within two years from the time the amended return reporting the change or correction was required to be filed (see *For amended returns based on changes by the Internal Revenue Service (IRS)*). For additional limitations on credits or refunds, see Tax Law, Article 27, section 1087.

### Erroneously paid or illegally or unconstitutionally imposed retaliatory taxes or other charges

– Tax Law, Article 33, section 1511(c) requires a taxpayer to recompute its retaliatory tax credit and recalculate its insurance franchise tax and metropolitan transportation business tax (MTA surcharge) in instances where another state reduces the amount of retaliatory tax due. The credit recomputation must be based on the tax year for which the retaliatory tax was reduced and applied against the corresponding tax year liability. Adjustments to the amount of credit and retaliatory tax may **not** be offset by credit earned in a different tax period.

The taxpayer may report the refund or credit of, or reduction in, retaliatory taxes paid to another state, and the recalculation of the Article 33 tax and the MTA surcharge, by either amending its return for the year in which the retaliatory taxes were claimed as a credit or providing a schedule of the recalculation of the credit, tax, and

MTA surcharge liability to the Audit Division, to be mailed to the address under *Retaliatory tax credits*.

The schedule, or amended return, is due within 90 days of the issuance of a final determination by competent authority that a refund or credit is due for retaliatory taxes or other charges imposed or assessed by another state. In all instances, the amended return or schedule must be accompanied by the payment of the additional tax and surcharge owed (Tax Law, Article 27, section 1081(i) and Article 33, section 1515(e)(2)).

### Final return

If you will no longer be subject to New York State Tax Law Article 33, mark an **X** in the box. Do not mark an **X** in the box if you are only changing the New York State franchise tax return you will be filing for your next tax period (for example, from Form CT-33-A to Form CT-33, or to Form CT-33-NL). In the case of a merger or consolidation, only the nonsurviving corporation would mark an **X** in the box.

### Important identifying information

When preparing your corporation tax return, be sure to accurately complete the corporation's identifying information (employer identification number (EIN) and file number) including your current address. Keep a record of your identifying information for future use. If you use a paid preparer or accounting firm, make sure they use your complete and accurate information when completing all your forms.

### Signature

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

The return 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 return, 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 return will delay the processing of any refunds and may result in penalties.

## Line instructions for Forms CT-33-A and CT-33-A/B

### General explanation

Form CT-33-A/ATT must be completed for each member of the combined group, including the parent, prior to completing Form CT-33-A and CT-33-A/B (if applicable). See *Instructions for Form CT-33-A/ATT, Schedules A, B, C, D, and E*.

Although the parent corporation is not necessarily the corporation that files Form CT-33-A, for purposes of this form the corporation responsible for filing this form is designated the *parent*. Any other corporations included in the combined form are designated *subsidiaries*.

Use Form CT-33-A to compute the combined tax. The parent reports its figures in column A (*Parent*) of Form CT-33-A.

If there is only one subsidiary included in the combined group, Form CT-33-A/B is not required. Report the subsidiary's amounts in column B (*Total subsidiaries*) of Form CT-33-A.

If there are two or more subsidiaries included in the combined group, the subsidiaries report their figures on Form CT-33-A/B. Form CT-33-A/B provides a column for each subsidiary. Add the columns on Form CT-33-A/B together, and transfer the amounts from the *Total* column to column B (*Total subsidiaries*) of Form CT-33-A.

Add columns A and B on Form CT-33-A together and enter the subtotal in column C.

Enter in column D any intercorporate eliminations. Attach a list of any intercorporate eliminations for each corporation listed in the combined return. Subtract column D from the subtotal column in column C and enter the balance in column E (*Combined total*).

The line instructions below are used for both Forms CT-33-A and CT-33-A/B. (Do not complete the shaded areas of these forms.)

**Line A** – Make your check or money order payable in United States funds. We will accept a foreign check or foreign money order only if payable through a United States bank or if marked **Payable in U.S. funds**.

### Computation of tax

**Line 7** – Do not include any premiums of unauthorized insurance corporations included in the combined return unless such premiums were ceded to an authorized insurance corporation included in the combined return.

**Line 9** – Do not include any premiums of unauthorized insurance corporations included in the combined return unless such premiums were ceded to an authorized insurance corporation included in the combined return.

**Line 10** – Enter the amount from line 8 or line 9, whichever is greater. Combined groups consisting **only** of unauthorized insurance corporations: Enter the amount from line 8.

**Line 11a** – Enter the amount of empire zone (EZ) and zone equivalent area (ZEA) tax credits claimed on line 115. These credits **must** be subtracted from the tax on line 10 and **not** from the tax on line 15.

**Line 11b** – Subtract line 11a from line 10 and enter the result on this line. The amount of EZ and ZEA tax credits claimed may not reduce the tax due on line 11b to less than the minimum tax of \$250.

**Line 12** – Enter the number of subsidiaries included in the combined return (**excluding** foreign corporations not doing any insurance business in New York State and the corporation paying the combined tax) in the first box on this line, and multiply by the minimum tax of \$250.

**Line 14** – Do not include any premiums of unauthorized insurance corporations included in the combined return unless such premiums were ceded to an authorized insurance corporation included in the combined return.

**Line 15** – Enter the tax determined under Tax Law section 1505(a)(2) (line 14) or the tax determined under sections 1501 and 1510 (line 13), whichever is less. Combined groups consisting **only** of unauthorized insurance corporations: Enter the amount from line 13.

**Line 16** – Enter the amount of tax credits from line 116. A special rule applies to taxpayers claiming EZ and ZEA tax credits. See line 11a.

**Line 22a** – If line 17 is **less than** line 21, skip lines 22a through 22c.

If line 17 is **greater than** or **equal to** line 21, subtract line 21 from line 17, and enter the result.

**Line 22b** – If on line 5, column A of the Form CT-300 used to report the MFI for the tax period immediately **following** the tax period for which this return is being filed (the **next** franchise tax period) you did **not** apply an anticipated overpayment amount of New York State **franchise** tax from the tax period for which this return is being filed to your MFI for the **next** franchise tax period, enter **0** and proceed to line 22c. **Note:** For calendar-year 2021 filers, such Form CT-300 was due March 15, **2021**.

If on line 5, column A of such Form CT-300 you **did** apply an anticipated overpayment amount of New York State **franchise** tax from the tax period for which this return is being filed to your MFI for the **next** franchise tax period, enter the amount from line 5, column A of such Form CT-300 that you **actually** applied toward satisfying the amount on line 2, column A of such Form CT-300: generally, the lesser of the amount on line 5, column A or the amount on line 2, column A.

**Line 22c** – Add lines 22a and 22b, enter the result, and complete lines 23 through 26. Skip lines 27a through 27c.

**Line 23** – Form CT-222, *Underpayment of Estimated Tax by a Corporation*, is filed by a corporation to inform the Tax Department that the corporation meets one of the exceptions to reduce or eliminate the underpayment of estimated tax penalty pursuant to Tax Law, Article 27, section 1085(d).

**Line 24** – If you do not pay the tax due on or before the original due date (**without** regard to any extension of time for filing), you must pay interest on the amount of underpayment from the original due date to the date paid.

**Line 25** – Compute additional charges for late filing and late payments on the amount of tax minus any payment made on or before the due date (**with** regard to any extension of time for filing).

- A. If you do not file a return when due or if the request for extension is invalid, add to the tax 5% per month up to 25% (section 1085(a)(1)(A)).
- B. If you do not file a return within 60 days of the due date, the addition to tax in item A above cannot be less than the smaller of \$100 or 100% of the amount required to be shown as tax (section 1085(a)(1)(B)).
- C. If you do not pay the tax shown on a return, add to the tax ½% per month up to 25% (section 1085(a)(2)).
- D. The total of the additional charges in items A and C above may not exceed 5% for any one month except as provided for in item B above (section 1085(a)).

If you think you are not liable for these additional charges, attach a statement to your return explaining reasonable cause for the delay in filing, payment, or both (section 1085).

**Note:** You may compute your penalty and interest by accessing our website, or you may call and we will compute the penalty and interest for you (see *Need help?* in Form CT-1).

**Line 27b** – If on line 5, column A of the Form CT-300 used to report the MFI for the tax period immediately **following** the tax period for which this return is being filed (the **next** franchise tax period) you did **not** apply an anticipated overpayment amount of New York State **franchise** tax from the tax period for which this return is being filed to your MFI for the **next** franchise tax period, enter **0** and proceed to line 27c. **Note:** For calendar-year 2021 filers, such Form CT-300 was due March 15, **2021**.

If on line 5, column A of such Form CT-300 you **did** apply an anticipated overpayment amount of New York State **franchise** tax from the tax period for which this return is being filed to your MFI for the **next** franchise tax period, enter the amount from line 5, column A of such Form CT-300 that you **actually** applied toward satisfying the amount on line 2, column A of such Form CT-300: generally, the lesser of the amount on line 5, column A, or the amount on line 2, column A. If line 27b is **less than** or **equal to** line 27a, proceed to line 27c. If line 27b is **greater than** line 27a, subtract line 27a from line 27b, enter the result on line **22c**, and complete lines 23 through 26. Skip line 27c.

**Line 27c** – Subtract line 27b from line 27a. This is your overpayment amount. Proceed to line 28.

**Lines 32a and 32b** – If you request a refund of unused tax credits, enter the total amount on line 32a. If you request tax credits to

be credited as an overpayment to next year's tax, enter the total amount on line 32b. Attach the appropriate tax credit forms.

## Schedule A – Computation of combined allocation percentage

A taxpayer doing business both inside and outside New York State may allocate its combined business and investment capital, combined ENI, and combined ENI plus compensation.

Compute the combined allocation percentage by adding the percentages of the taxpayer's premiums allocated to New York State (multiplied by nine) and payroll allocated to New York State, and dividing the total by 10. For both the numerator and denominator of the combined premium allocation percentage, the term *premium* includes all amounts received as consideration for insurance, reinsurance, and annuity contracts, including premium deposits, assessments, policy fees, membership fees, and all other compensation for such contracts. Include premiums received for a long-term care insurance policy exempt under United States Code (USC) Title 5, Chapter 90, and premiums for federal group life insurance exempt under USC Title 5, Chapter 87, when computing the premium percentage.

**Attach a separate schedule** showing the computation of New York premiums included on lines 34 through 39.

**Line 34** – See Tax Law, Article 33, section 1504(b).

**Authorized life insurance corporations:** Enter the total combined New York taxable premiums received from line 96.

**Unauthorized insurance corporations:** Enter New York life, accident and health, and other premiums, using the Schedule F instructions that are applicable to lines 93, 94, and 95.

**All** insurance corporations include additional premiums on these types of policies that were written, procured, or received in New York on business that cannot be specifically assigned as located or resident in any other state or states (attach schedules for such additional premiums).

**Note: Do not** include in the line 34 amount any separate costs assessed by the insurance corporation upon its policyholders.

**Line 35** – Enter the total ocean marine premiums written, procured, or received on property or risks located or resident in New York State, plus ocean marine premiums written within New York State on property or risks that cannot be specifically assigned as located or resident in any other state or country. See Tax Law section 1504(b)(2)(C).

**Line 36** – Enter the total of premiums for annuity contracts and insurance for the elderly that are written, procured, or received on risks located or resident in New York State, and those premiums for annuity contracts and insurance for the elderly written, procured, or received in New York State, on business that cannot be specifically assigned as located or resident in any other state or states.

**Line 37** – Enter the total New York premiums on reinsurance assumed from authorized companies. Include premiums allocated to New York State where the location of the risk cannot be determined and premiums from risks located in New York State. Also include reinsurance premiums from unauthorized companies that relate to transactions authorized under Insurance Law section 2105 and that are subject to the premiums tax on excess-lines brokers under Insurance Law section 2118.

Include the amount from the parent's Form CT-33-A/ATT, line 1, in column A (*Parent*). If there is only one subsidiary in the combined group, include the amount from its Form CT-33-A/ATT, line 1, directly in column B (*Total subsidiaries*). If there is more than one subsidiary in the combined group, include the amount from Form CT-33-A/B, line 37 (*Total*), in column B (*Total subsidiaries*).

**Line 39** – Enter the total amount of New York premiums included on line 38 that were ceded to other insurance companies.

**Line 41** – You must report total premiums on a written or paid-for basis, consistent with the basis required by the annual statement filed with the Superintendent of Financial Services.

First, determine total gross premiums, deposit premiums, and assessments, minus returns thereon, on **all** policies, annuity contracts, certificates, renewals, policies subsequently canceled, and insurance and reinsurance executed, issued, or delivered on property or risks, including premiums for reinsurance assumed. Include **only** those special risk premiums written, procured, or received in New York State on risks located or resident in New York State.

From the total amount determined, deduct dividends on total premiums and premiums on reinsurance ceded. When computing the dividend deduction, include unused or unabsorbed portions of premium deposits paid or credited to policyholders, but not deferred dividends paid in cash to policyholders on maturing policies or cash surrender values.

**Attach a separate schedule** showing the computation of total premiums included on line 41.

**Lines 44 and 45** – Enter total wages, salaries, personal service compensation, and commissions for the tax year of employees, agents, and representatives regularly connected with or working out of an office or place of business maintained within New York State, on line 44. It does not matter where the services were performed. Enter total wages, salaries, personal service compensation, and commissions for the tax year of all employees, agents, and representatives, on line 45. When computing the payroll percentage, include any commissions or personal service compensation derived from policies for a long-term care insurance policy under USC Title 5, Chapter 90, and from policies for federal group life insurance under USC Title 5, Chapter 87.

**Attach a separate schedule** indicating how you computed the amounts shown on lines 44 and 45 and where these amounts are shown on the federal return.

**Line 48** – If the premiums factor is missing from line 42, the income allocation percentage is the payroll factor percentage on line 46. If the payroll factor is missing from line 46, the income allocation percentage is the premium factor percentage on line 42. A factor is missing if both its numerator and denominator are zero. If the numerator is zero and the denominator has a positive figure, the factor has an allocation value of 0% and is included in the computation of the allocation percentage.

### Schedule B – Computation and allocation of combined subsidiary capital

On a combined return, the tax is measured by the combined capital of all the corporations included in the return, including any captive REIT or captive RIC.

If corporations in the combined group have investments in or have received intercompany advances from other corporations in the combined group, eliminate all of these investments and advances before computing and allocating combined subsidiary capital.

**Lines 49 through 52** – Obtain the amounts for Forms CT-33-A and CT-33-A/B as shown below.

### Line instructions for Forms CT-33-A and CT-33-A/B

Line	Form CT-33-A, column A ( <i>Parent</i> ), and Form CT-33-A/B	Form CT-33-A, column B ( <i>Total subsidiaries</i> )
49	enter amount from CT-33-A/ATT, line 2, column C	1. if only one subsidiary is filing, enter amount from CT-33-A/ATT, line 2, column C; or 2. if more than one subsidiary, enter amount from CT-33-A/B, line 49, <i>Total</i> column
50	enter amount from CT-33-A/ATT, line 2, column D	1. if only one subsidiary is filing, enter amount from CT-33-A/ATT, line 2, column D; or 2. if more than one subsidiary, enter amount from CT-33-A/B, line 50, <i>Total</i> column
51	enter amount from CT-33-A/ATT, line 2, column E	1. if only one subsidiary is filing, enter amount from CT-33-A/ATT, line 2, column E; or 2. if more than one subsidiary, enter amount from CT-33-A/B, line 51, <i>Total</i> column
52	enter amount from CT-33-A/ATT, line 3	1. if only one subsidiary is filing, enter amount from CT-33-A/ATT, line 3; or 2. if more than one subsidiary, enter amount from CT-33-A/B, line 52, <i>Total</i> column

### Schedule C – Computation and allocation of combined business and investment capital

On a combined return, the tax is measured by the combined capital of all the corporations included in the return, including any captive REIT or captive RIC.

Before computing and allocating combined business and investment capital, eliminate intercompany stockholdings, intercompany bills, intercompany notes receivable and payable, and other intercompany indebtedness.

**Lines 53, 54, 55, 57, and 61** – Obtain the amounts for Forms CT-33-A and CT-33-A/B as shown below.

Line	Form CT-33-A, column A ( <i>Parent</i> ), and Form CT-33-A/B	Form CT-33-A, column B ( <i>Total subsidiaries</i> )
53	enter amount from CT-33-A/ATT, line 4, column C	1. if only one subsidiary is filing, enter amount from CT-33-A/ATT, line 4, column C; or 2. if more than one subsidiary, enter amount from CT-33-A/B, line 53, <i>Total</i> column
54	enter amount from CT-33-A/ATT, line 5, column C	1. if only one subsidiary is filing, enter amount from CT-33-A/ATT, line 5, column C; or 2. if more than one subsidiary, enter amount from CT-33-A/B, line 54, <i>Total</i> column
55	enter amount from CT-33-A/ATT, line 6, column C	1. if only one subsidiary is filing, enter amount from CT-33-A/ATT, line 6, column C; or 2. if more than one subsidiary, enter amount from CT-33-A/B, line 55, <i>Total</i> column
57	enter amount from CT-33-A/ATT, line 7, column C	1. if only one subsidiary is filing, enter amount from CT-33-A/ATT, line 7, column C; or 2. if more than one subsidiary, enter amount from CT-33-A/B, line 57, <i>Total</i> column
61	enter amount from CT-33-A/ATT, line 8, column C	1. if only one subsidiary is filing, enter amount from CT-33-A/ATT, line 8, column C; or 2. if more than one subsidiary, enter amount from CT-33-A/B, line 61, <i>Total</i> column

**Lines 53 and 55** – Attach copies of your *Annual Statement – Assets Schedule* reflecting admitted and nonadmitted assets for both the previous and current tax years.

**Lines 57 and 61** – Attach copies of your *Liabilities, Surplus and Other Funds Schedule* from the *Annual Statement*.

### Schedule D – Computation and allocation of combined ENI

On a combined return, the tax is measured by the combined ENI of all corporations included in the return, including any captive REIT or captive RIC. In computing combined ENI, intercorporate dividends are eliminated. In the case of a captive REIT required to be included in a combined return, ENI means REIT taxable income as defined in IRC section 857, subdivision (b), paragraph 2 (as modified by section 858), subject to the modifications required by Tax Law, Article 33, section 1503.

In the case of a captive RIC required to be included in a combined return, ENI means investment company taxable income as defined in IRC section 852, subdivision (b), paragraph 2 (as modified by section 855), plus the amount taxable under IRC section 852, subdivision (b), paragraph 3, subject to the modifications required by Tax Law section 1503.

However, the deduction under the IRC for dividends paid by the captive REIT or captive RIC to any member of the affiliated group that includes the corporation that directly or indirectly owns over 50% of the voting stock of the captive REIT or captive RIC is not allowed. An affiliated group is defined in IRC section 1504, but without regard to the exceptions provided for in IRC section 1504, subsection (b).

**Line 64** – Enter the amount of life insurance company taxable income (LICTI) (including, in the case of a stock life insurance company, the phased inclusion [one-eighth] of the balance in existing policyholders surplus accounts that was required to be included in federal taxable income [FTI]), plus the NOL deduction included in LICTI as reported to the U.S. Treasury Department for the tax year. Corporations filing federal Form 1120-PC must enter the total of taxable income per Schedule A, plus any NOL deduction included in taxable income as reported to the U.S. Treasury Department for the tax year. Corporations having an amount of excess inclusion as a result of having a residual interest in a real estate mortgage investment conduit (REMIC), must properly reflect this income in FTI. Corporations exempt from federal income tax but subject to tax under Article 33 must enter the taxable income that would have been required to be reported to the U.S. Treasury Department.

If the ordinary business income (loss) amount reported to you on federal Schedule K-1 reflects:

- a business interest deduction that was computed by the partnership(s) using the 50% of adjusted taxable income limitation,
- depreciation of qualified improvement property (QIP) using the allowance under IRC section 168(k),
- depreciation of QIP using 15-year useful life under IRC section 168(e)(3)(E)(vii), or
- depreciation of QIP using 20-year useful life under IRC section 168(g)(3)(B),

you must adjust your LICTI to reflect New York decoupling from those federal provisions. Your partnership(s) is required to provide you the amount(s) needed for you to properly adjust your LICTI. If your partnership(s) does not provide you with the necessary information to make the adjustment, you are responsible for obtaining the information from the partnership. Report on this line the **adjusted** LICTI.

If you file Form 1120-REIT, use the sum of: a) REIT taxable income (as defined in IRC section 857(b)(2), but **before** the NOL deduction), as modified by IRC section 858. However, in

computing the total deduction for dividends paid, any dividends paid by the captive REIT to any member of the affiliated group that includes the corporation that directly or indirectly owns over 50% of the voting stock of the captive REIT are not allowed and must be included on line 64. An affiliated group is defined in IRC section 1504, but without regard to the exceptions provided for in IRC section 1504(b).

If you file Form 1120-RIC, use the sum of a) investment company taxable income (as defined in IRC section 852(b)(2)), as modified by IRC section 855, **plus** b) the amount taxable under IRC section 852(b)(3). However, in computing the deduction for dividends paid, any dividends paid by the captive RIC to any member of the affiliated group that includes the corporation that directly or indirectly owns over 50% of the voting stock of the captive RIC are not allowed and must be included on line 64. An affiliated group is defined in IRC section 1504, but without regard to the exceptions provided for in IRC section 1504(b).

Enter in the first entry box of line 64 the total amount of all captive REIT and captive RIC disallowed dividends paid deductions for the combined group that are being included on line 64.

### Additions

**Line 66** – Enter all interest and dividend income, received or accrued, that was exempt from federal income tax and not included in line 64, minus interest expense, bond premium amortization, and other ordinary and necessary expenses, paid or incurred, attributable to this income.

**Line 67** – Enter interest paid or accrued on indebtedness directly or indirectly owed to any stockholder (including subsidiaries of a corporate stockholder) or members of his or her immediate family that own more than 5% of the issued capital stock of the taxpayer. *Immediate family* includes brothers and sisters of whole or half blood, spouse, ancestors, and descendants. If no such interest was paid or accrued, enter **0**.

**Line 68** – Enter the amount from Form CT-33-A/ATT, line 10, in column A (*Parent*). If there is more than one subsidiary in the combined group, enter the amount from Form CT-33-A/B, line 68 (*Total*), in column B (*Total subsidiaries*). If there is only one subsidiary in the combined group, enter the amount directly from Form CT-33-A/ATT, line 10, in column B (*Total subsidiaries*).

**Line 69** – Enter capital losses from sales and exchanges of subsidiary capital, other losses and bad debts, interest expense (direct or indirect), foreign taxes, and any carrying charge directly attributable to subsidiary capital deducted in computing FTI.

**Note:** Do **not** include any IRC section 250(a)(1)(B) or IRC section 965(c) deduction amounts on this line.

**Line 70** – Enter the amount of New York State franchise taxes, including MTA surcharge, imposed by Article 33 and deducted on your federal return.

**Line 71** – Enter any amount claimed as a deduction in computing FTI solely as a result of an election made under the provision of IRC section 168(f)(8) (safe harbor lease, as it was in effect for agreements entered into before January 1, 1984).

**Line 72** – Enter any amount you would have been required to include in the computation of FTI had you not made the election permitted by the provisions of IRC section 168(f)(8) (safe harbor lease, as it was in effect for agreements entered into before January 1, 1984).

**Line 73** – Use this line if :

- The corporation claims the federal accelerated cost recovery system/modified accelerated cost recovery system (ACRS/MACRS) deduction for property placed in service either **in or outside** New York State after 1980, in tax periods beginning before 1985; or
- 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 made the election to continue using the IRC section 167 depreciation modification for the property (see TSB-M-99(1)C, *New York Depreciation Deduction for Property Placed in Service Outside New York State in Tax Years 1985 – 1993*); or

- The corporation claims a federal special depreciation deduction under IRC section 168(k) for qualified property (excluding qualified resurgence zone property described in Tax Law, Article 9-A, section 208.9(q) or qualified New York liberty zone property described in IRC section 1400L(b) (2)) placed in service on or after June 1, 2003, in tax years beginning after December 31, 2002; or
- The corporation disposes this year of either ACRS/MACRS property, or property for which you claimed a federal special depreciation deduction, and the New York State depreciation modifications applied to the property in any prior years.

If this line applies, enter the amount from Form CT-399, *Depreciation Adjustment Schedule*, line 3, column E, or, if you disposed of certain property this year, use the amount from CT-399, line 10, column A.

**Line 74** – If you have other additions to FTI, you must complete Form CT-225-A, *New York State Modifications* (for filers of combined franchise tax returns). Enter the amount from Form CT-225-A, line 5, and submit Form CT-225-A with your Form CT-33-A.

### Subtractions

**Line 76** – Enter interest and dividend income from subsidiary capital, and capital gains from sales and exchanges of subsidiary capital. The interest, dividends, and capital gains amount used to calculate the deduction **cannot** exceed the amount used to compute FTI. Also include global intangible low-taxed income (GILTI) amounts (and include IRC section 78 dividends attributable to such GILTI amounts, if any) from subsidiary capital.

**Note:** Do **not** include any IRC section 965 amounts.

**Line 77** – Enter 50% of the dividend income from corporations that are not subsidiaries. A life insurance company may enter only 50% of the company's share (IRC section 812(a)) of **all** such dividend income from nonsubsidiary corporations.

**Note:** Do **not** include any IRC section 965 amounts, or any GILTI amounts including IRC section 78 dividends related to GILTI.

**Line 78** – Enter any income or gain from installment sales of real or personal property made before January 1, 1974, that was used to compute FTI.

**Line 79** – The NOL allowed as a deduction for New York State purposes is calculated on a combined basis; therefore, Form CT-33-A/B does not have a corresponding line 79. Enter New York State combined NOL deduction. Attach a separate schedule providing details of both federal and New York State losses claimed.

In determining the NOL of any given year, the following rules apply:

- Federal NOLs (IRC section 172) must be adjusted in accordance with Article 33 section 1503(b).
- For NOLs incurred, refer to IRC section 172 for carry back and carry forward periods.
- If you have elected for federal purposes to relinquish the carry back of an NOL, you may not carry back an NOL for state purposes, and you must submit a copy of your federal election.
- The New York State NOL deduction for any particular year is limited to the federal NOL deduction (IRC section 172) for that year.
- No deduction is allowed for an NOL sustained during any year in which the corporation was not subject to tax under Article 33.

**Note:** Generally, Tax Law, Article 33 conforms, with some modifications, to the federal IRC provisions for NOL deductions, and to the applicable federal carryback and carryforward provisions (see Tax Law section 1503(b)(4)). The federal *Tax Cuts and Jobs Act* (Public Law 115-97) and *Coronavirus Aid, Relief, and Economic Security Act* (Public Law 116-136) made substantial changes to these IRC provisions. For additional information, including loss years impacted, see Public Laws 115-97 and 116-136.

**Line 80** – Enter any amount included in federal income solely as a result of an election made under the provisions of IRC section 168(f)(8) (safe harbor lease, as it was in effect for agreements entered into before January 1, 1984).

**Line 81** – Enter any amount that you could have deducted from FTI had you not made an election under IRC section 168(f)(8) (safe harbor lease, as it was in effect for agreements entered into before January 1, 1984). For more information, see TSB-M-82(15)C, *1982 Legislation – Safe Harbor Leases*.

**Line 82** – In place of the disallowed deduction entered on line 73, a New York State depreciation deduction is allowed under Article 33 sections 1503(b)(10), 1503(b)(14), 1503(b)(15), and 1503(b)(16). For more information, see the instructions for Form CT-399.

Use this line if:

- The corporation claims the federal ACRS/MACRS deduction for property placed in service either **in or outside** New York State after 1980, in tax periods beginning before 1985; or
- 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 made the election to continue using the IRC section 167 depreciation modification for the property (see TSB-M-99(1)(C)); or
- The corporation claims a federal special depreciation deduction under IRC section 168(k) for qualified property (excluding qualified resurgence zone property described in Tax Law, Article 9-A, section 208.9(q) or qualified New York liberty zone property described in IRC section 1400L(b) (2)) placed in service on or after June 1, 2003, in tax years beginning after December 31, 2002; or
- The corporation disposes this year of either ACRS/MACRS property, or property for which you claimed a federal special depreciation deduction, and the New York State depreciation modifications applied to the property in any prior years.

If this line applies, enter the amount from Form CT-399, line 3, column I, or, if you disposed of certain property this year, use the amount from CT-399, line 10, column B.

**Line 83** – If you have other subtractions from FTI, you must complete Form CT-225-A, *New York State Modifications* (for filers of combined franchise tax returns). Enter the amount from Form CT-225-A, line 10, and submit Form CT-225-A with your Form CT-33-A.

### Schedule E – Computation of alternative base

**Line 87** – Enter the amount from Form CT-33-A/ATT, line 11, in column A (*Parent*). If there is more than one subsidiary in the combined group, enter the amount from Form CT-33-A/B, line 87 (*Total*), in column B (*Total subsidiaries*). If there is only one subsidiary in the combined group, enter the amount directly from Form CT-33-A/ATT, line 11, in column B (*Total subsidiaries*).

**Line 89** – Enter **15,000** (or a proportionate part if the return is for a period of less than one year).

### Schedule F – Computation of combined premiums

An unauthorized insurance corporation is not subject to the additional premiums tax under section 1510 or the limitations under section 1505. Therefore, unauthorized insurance corporations do not include their premiums in Schedule F. However, an

unauthorized insurance corporation uses the Schedule F instructions to complete line 34.

An authorized life insurance corporation subject to Tax Law Article 33 is subject to the additional premiums tax under section 1510, the limitation on tax under section 1505(a)(2), and the floor limitation on tax under section 1505(b). Authorized life insurance corporations must include reinsurance premiums assumed from all unauthorized insurance corporations. For more information on the floor limitation on tax, see TSB-M-03(9)C, *Summary of Insurance Corporation Tax Legislative Changes Enacted in 2003*.

Use this schedule to compute premiums due under Tax Law sections 1510, 1505(a)(2), and 1505(b), and transfer the combined total to the appropriate boxes on page 2. Report direct premiums on a written or paid-for basis, consistent with the basis required by the annual statement filed with the Superintendent of Financial Services. For purposes of this schedule, the term *premium* includes all amounts received as consideration for insurance or reinsurance contracts or contracts with HMOs for health services (except annuity contracts), including premium deposits, assessments, policy fees, membership fees, any separate costs by carriers assessed upon their policyholders, and all other consideration for such contracts.

*Taxable premiums* include gross direct premiums minus return premiums, reinsurance premiums, and dividends paid or credited.

**Gross direct premiums** – Include total gross premiums, deposit premiums and assessments, minus returns thereon, on all policies, certificates, renewals, policies subsequently canceled, and insurance and reinsurance executed, issued, or delivered on property or risks located or resident in New York State, and premiums written, procured, or received in New York State on business that cannot be specifically allocated or apportioned and reported as taxable premiums or that have not been used as a measure of a tax on business of any other state or states. Also include special risk premiums written, procured, or received in New York State on risks located or resident in New York State. When computing taxable premiums under Tax Law section 1510, do not include premiums on annuity contracts, ocean marine insurance, and policies issued under Insurance Law section 4236. Also exempt from the tax on premiums are premiums on risks located outside the United States that were written, procured, or received in New York State, **except** for insurance written by foreign and alien title insurance corporations, and accident and health insurance.

**Note:** Gross direct premiums do not include any premiums that New York State cannot tax according to federal law (including premiums received for a long-term care insurance policy under USC Title 5, Chapter 90, and any premiums for federal group life insurance under USC Title 5, Chapter 87).

**Line 101** – Life insurance corporations that received more than 95% of their premiums from annuity contracts, ocean marine insurance, and policies issued under Insurance Law section 4236, enter **only** the New York portion of the amount of such premiums that **exceeds 95%** of all premiums received, if applicable. Life insurance corporations receiving 95% or less of their premiums from annuity contracts, ocean marine insurance, and policies issued under Insurance Law section 4236, enter **0** on line 101.

**Deductions from gross direct premiums**

- **Reinsurance premiums** – When computing gross direct premiums, you may deduct (1) reinsurance premiums, minus return premiums, that have been received by way of reinsurance from corporations or other insurers authorized to transact business in this state; and (2) reinsurance premiums assumed from unauthorized companies that relate to transactions authorized under Insurance Law section 2105, and that are subject to the premiums tax on excess-lines brokers under Insurance Law section 2118.

- **Dividends paid or credited** – You may deduct dividends on direct premiums and unused or unabsorbed portions of premium deposits paid or credited to policyholders. This deduction does not include deferred dividends paid in cash to policyholders on maturing policies or cash surrender values.

**Composition of prepayments**

If you need more space, write **see attached** in this section and attach a separate sheet showing all relevant prepayment information. Transfer the total shown on the attached sheet to line 21.

**Line 106** – Determine the amount to enter by completing the *Worksheet for Line 106* below.

<b>Worksheet for line 106</b>	
From the Form CT-300 used to report the MFI for the tax period for which <b>this</b> return is being filed ( <b>Note:</b> For calendar-year 2020 filers, such Form CT-300 was due March 16, <b>2020</b> ):	
1. Enter the portion of line A ( <i>Payment enclosed</i> ) that represents <b>New York State</b> MFI paid: generally, the amount on line 6, column A of such Form CT-300 .....	1. _____
2. Enter the portion of line 5, column A <b>actually</b> applied toward satisfying the amount on line 2, column A: generally, the lesser of the amount on line 5, column A or the amount on line 2, column A of such Form CT-300. This is your <i>2019 anticipated overpayment applied</i> . .....	2. _____
3. <b>Add the amounts on lines 1 and 2, and enter the total here and on Form CT-33-A, line 106</b> .....	3. _____

**Line 111** – Enter the sum of the amounts reported on lines 28 and 32b of the Form CT-33-A that you filed for the tax period **immediately prior** to the tax period for which this return is being filed.

**Summary of tax credits claimed against current year's franchise tax**

See instructions for lines 11a and 16.

**Ordering of credits** – You must apply tax credits under Article 33 in the following order:

1. EZ capital tax credit
2. EZ and ZEA wage tax credits
3. Noncarryover credits that are not refundable
4. Carryover credits that are of limited duration
5. Carryover credits that are of unlimited duration
6. Refundable credits
7. Life insurance company guaranty corporation credit

**Line 115** – Enter the total EZ and ZEA tax credits (EZ capital tax credit, EZ and ZEA wage tax credits) claimed that were used to reduce the tax. The amount of these credits may not reduce the tax to less than the \$250 minimum tax. Enter in the appropriate boxes the total amount of the EZ and ZEA tax credits claimed. If you are required to recapture the EZ capital tax credit that was allowed in a previous reporting period, and the result is a negative credit amount on your credit form, enter this negative amount using a minus (-) sign in the applicable box.

**Fire insurance premiums tax credit** – Credit for taxes on premiums for any insurance on loss or damage by fire under Insurance Law sections 9104 and 9105, or under the charters of the cities of Buffalo or New York. These taxes must have been

paid or accrued during the tax year covered by this return. The credit is limited to the amount reported on line 15 minus the credits mentioned above. The credit cannot be carried over to any other year. Attach the *Report of Premiums*, including *Supplementary Schedules I and II*, when claiming this credit.

**Retaliatory tax credits** – Attach Form CT-33-R, *Claim for Retaliatory Tax Credits*. Do not claim the MTA surcharge retaliatory tax credit on Form CT-33-R.

**Do not** send the documentation for the retaliatory tax credit (retaliatory prints) with your return. Send the documentation to:

**NYS TAX DEPARTMENT  
IFDAB - AUDIT 9  
W A HARRIMAN CAMPUS  
ALBANY NY 12227-5299**

**Private delivery services** – If not using U.S. Mail, see Publication 55.

**Other credits** – Enter in the *Other credits* box any credits being claimed on line 16 that are not specifically listed on Form CT-33-A above line 116 and attach the appropriate form(s).

**Line 116** – Enter the total tax credits claimed, **excluding** the EZ and ZEA tax credits claimed on line 115, that were used to reduce the tax due. Generally, these credits may not reduce the tax below the combined minimum tax. However, the retaliatory tax credits and the fire insurance premiums tax credit may further reduce the tax due to zero. Enter in the appropriate boxes the total amount of each tax credit claimed. If you are required to recapture a tax credit that was allowed in a previous reporting period, and the result is a negative credit amount on your credit form, enter this negative amount using a minus (-) sign in the applicable box.

**Line 117** – Enter the total amount of refund eligible tax credits claimed on line 116. The retaliatory tax credits, QEZE real property tax credit, excelsior jobs credit program, the brownfield redevelopment tax credit, the remediated brownfield credit for real property taxes, the environmental remediation insurance credit, the security officer training tax credit, the rehabilitation of historic properties credit, the economic transformation and facility redevelopment program tax credit, the Empire State jobs retention program credit, the recovery tax credit, and the New York State employer-provided child care credit are the refund eligible credits under Article 33.

## Instructions for Form CT-33-A/ATT Schedules A, B, C, D, and E

### Schedule A – Allocation of reinsurance premiums when location of risks cannot be determined

Complete this schedule to allocate reinsurance premiums to New York State when the location or residence of the property or risks covered by the reinsurance cannot be determined. Complete this schedule for premiums assumed from authorized companies.

**Column C** – Enter the percentage each ceding corporation's New York premiums bear to its total premiums for the preceding tax year (reinsurance allocation percentage). You may obtain this percentage from tax service publications or by calling the Corporation Tax Information Center (see *Need help?* in Form CT-1). If the ceding corporation did not do business in New York State during the preceding year and therefore did not file a New York State tax return, the percentage is zero.

### Schedule B – Computation and allocation of subsidiary capital

**Subsidiary capital** – A *subsidiary* is a corporation of which over 50% of the voting stock is owned by the taxpayer. The term *subsidiary capital* means all investments in the capital stock of subsidiary corporations, plus all indebtedness from subsidiary corporations (other than accounts receivable acquired in the

ordinary course of trade or business for services rendered, or for sales of property held primarily for sale to customers). When computing the amount of indebtedness owed to the taxpayer by its subsidiaries, consider each subsidiary separately. Loans and advances from the parent to the subsidiary may be offset by loans and advances from the same subsidiary to the parent, but may not be reduced to less than zero. Loans and advances from a subsidiary to the parent may not offset the parent's investment in the stock of the subsidiary, or offset loans and advances from the parent to any other subsidiary.

This indebtedness, whether or not evidenced by bonds or other written instruments, qualifies as subsidiary capital as long as the subsidiary does not claim and deduct the interest for the purpose of taxation under any article of the New York State Tax Law.

**Column C – Average fair market value** – Enter the average fair market value of each item of subsidiary capital listed in column A. The *fair market value* of an asset is the price (without deduction of any encumbrance) at which a willing seller will sell and a willing buyer will buy. The fair market value, on any date, of stocks, bonds, and other securities regularly traded on an exchange or in the over-the-counter market is the mean between the highest and lowest selling prices on that date. Average value is generally computed quarterly if your usual accounting practice permits it. However, you may use a more frequent basis such as monthly, weekly, or daily. If your usual accounting practice does not permit a quarterly or more frequent computation of the average value of assets, you may use a semiannual or annual computation if no distortion of average fair market value results.

**Column D Average value of current liabilities attributable to subsidiary capital** – Each item of subsidiary capital must be reduced by any liabilities of the taxpayer (parent), payable by their terms on demand or not more than one year from the date incurred. These liabilities do not include loans or advances outstanding for more than a year, as of any date during the year covered by the return.

**Column F – Allocation percentage** – Enter the percentage of the entire capital or the issued capital stock or the gross direct premiums or net income of each issuing corporation allocable to New York State as determined on the corporation's New York State tax return for the preceding tax year. If the issuing corporation did not do business in New York State during the preceding year and therefore did not file a New York State tax return, the percentage is zero. If the subsidiary is an Article 9-A filer, use the preceding tax year's business apportionment factor; if the subsidiary is an Article 33 filer of Form CT-33 or CT-33-A, use the preceding tax year's allocation percentage; if the subsidiary is an Article 33 filer of Form CT-33-NL, use the preceding tax year's issuer's allocation percentage.

### Schedule C – Computation of business and investment capital

**Definition of total capital** – *Total capital* is the average fair market value of all the corporation's assets, minus its average current liabilities.

**Valuation of capital** – *Business and investment capital* is total capital minus subsidiary capital. It does not include assets held to maintain reserves of an insurance corporation as required under Insurance Law sections 1303, 1304, and 1305. In computing business and investment capital you are normally required to value assets at fair market value. But in valuing real and tangible personal property, you may elect to substitute book values for these assets (that is, the value established and regularly kept on the books of the company). If you make this election you must so indicate on each return. Once you have made the election, it is binding for all subsequent tax years and cannot be changed without prior permission. You must value stocks, bonds, and other securities at fair market value.

**Average fair market value** – The *fair market value* of an asset is the price (without deduction of any encumbrance) at which a willing seller will sell and a willing buyer will buy. The fair market value, on any date, of stocks, bonds, and other securities regularly traded on an exchange or in the over-the-counter market is the mean between the highest and lowest selling prices on that date. Average value is generally computed quarterly if your usual accounting practice permits it. However, you may use a more frequent basis such as monthly, weekly, or daily. If your usual accounting practice does not permit a quarterly or more frequent computation of the average value of assets, you may use a semiannual or annual computation if no distortion of average fair market value results.

**Line 4 – Total assets – Insurance corporations:** Enter the total assets from the annual statement balance sheet. **Captive REIT and captive RIC:** Enter the total assets from federal Form 1120-REIT or federal Form 1120-RIC balance sheet.

**Line 7 – Current liabilities** – Include **only** liabilities maturing in one year or less from the date originally incurred. Do not include loans or advances outstanding for more than a year as of any date during the year covered by this return, notes payable that are renewed from year to year, or the current portion of a long-term liability. Do not include reserves required under New York State Insurance Law sections 1303, 1304, and 1305. Use the same method of averaging used to determine average fair market value of assets.

### **Schedule D – Computation of adjustment for gains or losses on disposition of property acquired before January 1, 1974**

Tax Law, Article 33, section 1503(b)(5) details the adjustments you must make when reporting the gain or loss from sale or exchange of property acquired before January 1, 1974.

**Columns B, D, and F** – Enter the amounts used in computing FTI.

**Column C** – The *fair market price or value* is the price at which a willing seller will sell and a willing buyer will buy.

#### **Column E**

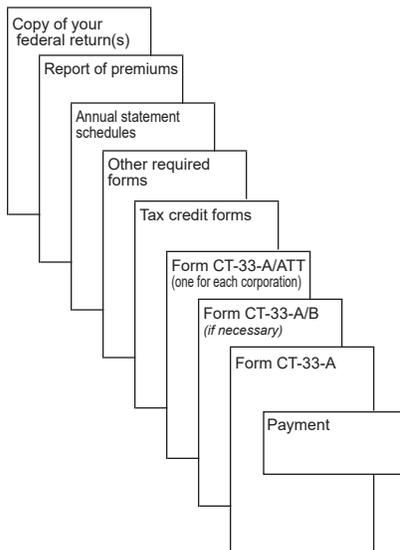
- If **both** the amounts entered in columns B **and** C are less than the amount entered in column D, a New York gain is realized. Enter in column E the difference between column D and the higher of column B or C.
- If **both** the amounts entered in columns B **and** C are more than the amount entered in column D, a New York loss is sustained. Enter in column E (with a minus (-) sign) the difference between column D and the lower of column B or C.
- If only one of the amounts entered in column B **or** C is more than the amount entered in column D, no New York gain is realized. Enter **0** in column E.
- If only one of the amounts entered in column B **or** C is less than the amount entered in column D, no New York loss is sustained. Enter **0** in column E.

### When preparing and mailing your life insurance corporation combined franchise tax return:

- Carefully read the instructions.
- Use the correct forms and include all pages.
- Accurately complete the corporation's identifying information including your current address. Enter your EIN and file number above your corporation name and address. If you use a paid preparer or accounting firm, make sure they use your complete and accurate information when completing all forms prepared for you.

#### Keep a record of your identifying information for future use.

- Have the appropriate individuals sign the completed Form(s) CT-33-A and CT-33-A/ATT.
- Attach a completed copy of your federal return(s) to your Form CT-33-A.
- Attach Forms CT-33-A/ATT, CT-33-A/B, and all other schedules you are required to file.
- Attach appropriate tax credit forms.
- If you are using tax software, you must attach a completed copy of Form CT-2, *Corporation Tax Return Summary*.
- Attach a copy of your *Annual Report of Premiums* as filed with the New York State Department of Financial Services.
- Attach appropriate schedules from your *Annual Statement*.
- Make your check or money order payable in U.S. funds to: **New York State Corporation Tax**
- Assemble your return and attachments this way:



- Mail your return to: **NYS CORPORATION TAX  
PO BOX 15181  
ALBANY NY 12212-5181**
- See Publication 55 for private delivery service information.
- Also mail a copy to: **NYS DEPARTMENT OF FINANCIAL SERVICES  
OFFICE OF FINANCIAL MANAGEMENT  
ONE COMMERCE PLAZA  
ALBANY NY 12257**