

Instructions for Form NYC-2.5A/BC



2025

Computation of Receipts Factor

Filing Requirements

Form NYC-2.5A/BC is an individual report that must be filed by each member of the New York City combined group except for the taxpayer that is the designated agent of the combined group (the corporation responsible for filing Form NYC-2A, Combined Business Corporation Tax Return) where the allocation percentage of the combined group is less than 100%.

Form NYC-2.5A/BC must be filed annually and must be attached to the designated agent's Form NYC-2.5A.

For this form, line 8, only mark an X in the "YES" box when the fixed percentage method is in effect for the entire combined group as the election is binding on all members of the group. Otherwise, mark an X in the "NO" box.

For lines or section headings with a QFI box, only mark an X in the QFI box when the QFI box on the corresponding lines (in the case of lines 11 and 12) or next to the corresponding section headings on Form NYC-2.5A, has been marked with an X.

For this form, the line numbers correspond to the line numbers on Form NYC-2.5A. For instructions to this form, refer to both the corresponding line instructions in the instructions to Form NYC-2.5A and the instructions below. In columns A and B, for all lines involving the computation of net gains, net income, or net interest, amounts less than zero are allowed and must be entered where applicable on Form NYC-2.5A/BC. Amounts less than zero are allowed in columns A and B because these amounts must be netted on a **combined basis** to amounts **not less than** zero on Form NYC-2.5A in determining the receipts factor. Use a minus sign (-) to report amounts less than zero (not parentheses or brackets). However, for column C, such gain, income, or interest **cannot** net to an amount less than zero; therefore, amounts **less than** zero must be entered as 0 in column C.

Corporations in the combined group that are **not** subject to tax under Subchapter 3-A do not need to complete column C.

In column C, generally New York City receipts amounts should be calculated on a **separate company** basis using the applicable

allocation rule or fraction, as computed on a separate company basis, for each such line (this includes **not** taking into consideration intercorporate eliminations when computing column C).

Example: *For line 44, in column C, a combined member would multiply its own separate amount of receipts from the conduct of a railroad business or a trucking business by a fraction, the numerator of which is the total miles of that combined member within New York City and the denominator of which is the total miles of that combined member within and outside the City.*

In column B, generally City receipts amounts should be calculated on a combined group basis, using the applicable allocation rule or fraction as computed **for the combined group** for each line.

Example: *For line 44, in column B, a combined member would multiply such receipts by a fraction, the numerator of which is the total miles of the combined group within the City and the denominator of which is the total miles of the combined group within and outside the City.*

Worksheets A, B, and C in the instructions to Form NYC-2.5A compute certain amounts for lines 10, 12, 21, 24, 28, and 30 in Form NYC-2.5A/BC. These worksheets **must** be completed before amounts are entered in these lines on Form NYC-2.5A/BC.

Line 25 – In column A enter the **combined member's** net interest income (not less than zero) from reverse repurchase agreements and securities borrowing agreements. For this calculation, a combined member's net interest income is determined after the deduction of the amount of the combined member's interest expense from repurchase agreements and securities lending agreements, but cannot be less than zero. The amount of a combined member's interest expense to be deducted is the combined member's interest expense associated with the sum of the value of the combined member's repurchase agreements where the combined member is the seller or borrower, **plus** the value of the combined member's securities lending agreements where the combined member is the securities lender; provided that such sum is limited to the sum of the value of the combined member's reverse repurchase agreements where the combined member is the purchaser or

lender, **plus** the value of the combined member's securities borrowing agreements where the combined member is the securities borrower.

In column C, enter 8% of the amount in column A.

Line 55 – Include only the amounts entered on lines 55a and 55b of Form NYC-2.5A.

Do not report Net Global Intangible Low-Taxed Income (GILTI) on this line or any other line of this form.

PRIVACY ACT NOTIFICATION

The Federal Privacy Act of 1974, as amended, requires agencies requesting Social Security Numbers to inform individuals from whom they seek this information as to whether compliance with the request is voluntary or mandatory, why the request is being made and how the information will be used. The disclosure of Social Security Numbers for taxpayers is mandatory and is required by section 11-102.1 of the Administrative Code of the City of New York. Such numbers disclosed on any report or return are requested for tax administration purposes and will be used to facilitate the processing of tax returns and to establish and maintain a uniform system for identifying taxpayers who are or may be subject to taxes administered and collected by the Department of Finance, and, as may be required by law, or when the taxpayer gives written authorization to the Department of Finance for another department, person, agency or entity to have access (limited or otherwise) to the information contained in his or her return.