

# Instructions for Form NYC-3A, NYC-3A/B and NYC-3A/ATT



## Combined General Corporation Tax Return for fiscal years beginning in 2025 or for calendar year **2025**

### IMPORTANT INFORMATION REGARDING THE FILING OF NYC CORPORATE TAX RETURNS

Pursuant to section 11-602.1 of the Administrative Code of the City of New York as enacted by section 3 of Part D of Chapter 60 of the Laws of 2015, for taxable years beginning on or after January 1, 2015, the General Corporation Tax is only applicable to Subchapter S Corporations and Qualified Subchapter S Subsidiaries. Therefore, only these types of corporations should file this return. All other corporations should file a return on Form NYC-2 or Form NYC-2S or, if included in a combined return, on Form NYC-2A.

### IMPORTANT INFORMATION CONCERNING FORM NYC-200V AND PAYMENT OF TAX DUE

Payments may be made on the NYC Department of Finance website at [nyc.gov/eservices](https://nyc.gov/eservices), or via check or money order. If paying with check or money order, do not include these payments with your New York City return. Checks and money orders must be accompanied by payment voucher form NYC-200V and sent to the address on the voucher. Form NYC-200V must be postmarked by the return due date to avoid late payment penalties and interest. See form NYC-200V for more information.

### Highlights of Recent Tax Law Changes

- Part V of Chapter 59 of the Laws of 2025 provides that any taxpayer subject to the Unincorporated Business Tax must report an alternative adjustment action within ninety days after such action occurs, and that any taxpayer subject to the Unincorporated Business Tax, the General Corporation, Bank Tax or the Business Corporation Tax that is a partner in a partnership must report its distributive share of any federal or state change, or alternative adjustment action, to which such partnership was subject within ninety days from the time such change or action occurs. An "alternative adjustment action" means a final federal adjustment as determined pursuant to IRC §6225 or an administrative adjustment request filed by the partnership under IRC §6227, including adjustments with respect to which the partnership made a federal election for alternative payment as described in IRC §6226. These requirements apply to federal and state changes and alternative adjustment actions occurring on or after August 7, 2025; alternative adjustment actions occurring prior to such date must be reported by May 4, 2026.
- Chapter 171 of the Laws of 2025, codified in Ad. Code sections 11-503(r), 11-604(24), 11-643.10 and 11-654(23), provides for a credit under the Unincorporated Business Tax, the General Corporation, Bank Tax and the Business Corporation Tax to businesses relocating their operations from outside New York State to an eligible premises within New York City. For more information see Chapter 61 of Title 19 of the RCNY and the DOF website.
- Ad. Code Sections 11-144, 11-503(q), 11-604(23) and 11-654(23) provide for a refundable credit under the Unincorporated Business Tax, the General Corporation Tax and the Business Corporation Tax to taxpayers providing new or expanded child care services for their employees with respect to infants and toddlers in a permitted child care program. For more information, see Chapter 59 of Title 19 of the RCNY and the DOF website (<https://www.nyc.gov/site/finance/property/group-childcare-credit.page>).
- Chapter 671 of the Law of 2023 added Ad. Code sections 11-506 (c)(13), 11-602(8)(a)(17) and 11-652(8)(a)(18) allowing the deduction against the Unincorporated Business Tax, the General Corporation Tax and the Business Corporation Tax, respectively, of an amount equal to the federal deduction disallowed by IRC section 280E, for business expenses incurred by taxpayers authorized by the New York Cannabis Law to engage in the sale, distribution, or production of adult-use cannabis products or medical cannabis.
- Local Law 166 of 2023 amended section 11-604(21) of the Ad. Code to renew a biotechnology credit for tax years beginning on or after January 1, 2023, and before January 1, 2026, for certain qualified emerging technology companies for certain costs and expenses incurred.
- For tax years beginning on or after January 1, 2021, eligible pass through entities may opt into the New York State Pass Through Entity Tax ("NYS PTET") imposed under New York Tax Law Article 24-A. For tax years beginning on or after January 1, 2022, eligible New York City pass through entities may opt into the New York City Pass Through Entity Tax ("NYC PTET") imposed under New York Tax Law Article 24-B. Taxpayers are required to add back to federal taxable income any NYC PTET, NYS PTET, and similar pass through entity taxes from other jurisdictions that were previously deducted when calculating federal taxable income. See Section 11-602(8)(b)(3) of the Administrative Code of the City of New York.
- For details on the proper reporting of income and expenses addressed in the federal Tax Cuts and Jobs Act of 2017, such as mandatory deemed repatriation income, foreign-derived intangible income (FDII), global intangible low-taxed income (GILTI), please refer to Finance Memorandum 18-10. For information about the IRC section 163(j) limitation on the business interest expense deduction, please refer to Finance Memorandum 18-11.

### GENERAL INFORMATION

**NOTE:** This form may be used by federal Subchapter S Corporations and Qualified Subchapter S Subsidiaries only ("S corporations"). If any instructions appear to apply to C Corporations, they should be read to apply only to S corps and qualified S subsidiaries.

**If an S corporation owns a C corporation, the C corporation will have to file a separate return (either Form NYC-2 or NYC-2A) from the S Corporation. An S**

**corporation may not file a combined return with a C corporation. See Ad. Code § 11-654.3(2)(c).**

### S CORPORATIONS

An S corporation is subject to the General Corporation Tax (GCT). Under certain limited circumstances, an S corporation may be permitted or required to file a combined return. See, e.g., Finance Memorandum 99-3 for information regarding the treatment of qualified subchapter S subsidiaries. Federal S corporation taxpayers must now complete the Form NYC-ATT-S-

CORP, Calculation of Federal Taxable Income for S Corporations and include it with their GCT filing. For more information see Form NYC-ATT-S-CORP.

### CORPORATION DEFINED

Unincorporated entities electing to be treated as associations taxable as corporations for federal income tax purposes pursuant to the "check-the-box" rules under IRC §7701(a)(3) are treated as corporations for City tax purposes and are not subject to the Unincorporated Business Tax. Eligible entities having a

single owner disregarded as a separate entity under the “check-the-box” rules and treated as either a sole proprietorship or a branch for federal tax purposes will be similarly treated for City tax purposes. See Finance Memorandum 99-1 for additional information.

## S CORPORATIONS THAT ARE REQUIRED TO FILE A GCT RETURN

See the instructions to Form NYC-3L.

## REQUIREMENTS FOR FILING ON A COMBINED BASIS

### General Requirements

A group of S corporations meeting the requirements set forth below must file a combined report. Filing or not filing on a combined basis is subject to review on audit. This report will not be considered complete unless all of the information required is submitted.

A combined report is required if the requirements set forth in items A and B below are met:

#### A - Related Corporation:

A related corporation is:

- (1) Any corporation substantially all the capital stock of which the taxpayer owns or controls either directly or indirectly;
- (2) Any corporation which owns or controls directly or indirectly substantially all the capital stock of the taxpayer; and
- (3) Any corporation the capital stock of which is owned or controlled directly or indirectly by interests that own or control directly or indirectly substantially all the capital stock of the taxpayer.

“Substantially all” is ordinarily considered the actual or beneficial ownership or control of 80% or more of the voting stock of the issuing corporation throughout the taxable year.

**NOTE:** Inasmuch as a Qualified Subchapter S subsidiary (“Q-sub”) must be 100 percent owned by its parent S corporation under Internal Revenue Code (“IRC”) section 1361(b)(3), the Q-sub will always meet the related corporation requirement for combined filing.

#### B - Substantial Intercorporate Transactions:

An S corporation must file on a combined basis with any related S corporations if there are substantial intercorporate transactions among the related S corporations. It is not necessary that there be substantial intercorporate transactions between any one corporation and every other related corporation. It is nec-

essary, however, that there be substantial intercorporate transactions between the taxpayer and a related corporation or, collectively, a group of such related corporations. In determining whether there are substantial intercorporate transactions, the commissioner shall consider and evaluate all activities and transactions of the taxpayer and its related corporations. Activities and transactions that will be considered include, but are not limited to: (1) manufacturing, acquiring goods or property, or performing services, for related corporations; (2) selling goods acquired from related corporations; (3) financing sales of related corporations; (4) performing related customer services using common facilities and employees for related corporations; (5) incurring expenses that benefit, directly or indirectly, one or more related corporations; and (6) transferring assets, including such assets as accounts receivable, patents or trademarks from one or more related corporations.

#### Additional Circumstances For Combined Filing

In addition, the Department of Finance may require or permit a taxpayer to file a combined report with one or more related corporations even if substantial intercorporate transactions are absent under circumstances in which a combined report is necessary to properly reflect the taxpayer’s GCT liability because of intercompany transactions or some agreement, understanding, arrangement, or transaction.

#### Exceptions

S corporations that are taxable under Title 11, Chapter 6, Subchapter 3 or under Title 11, Chapter 11 (except a vendor of utility services that is taxable under both Chapter 11 and Subchapter 2 of Chapter 6), and insurance corporations may not be included in a combined report.

No taxpayer may file a report on a combined basis covering any other corporation where the taxpayer or the other corporation allocates in accordance with the special allocation provisions applicable to aviation corporations or corporations principally engaged in the operation of vessels and the taxpayer or other corporation does not allocate using the special allocation provisions.

#### Reporting Corporation

In general, the parent S corporation should act as the reporting corporation for the combined group. The reporting corporation must be the parent S corporation if it is a member of the combined group. A parent corporation is the corporation that owns or controls, directly or indirectly, substantially all of the capital stock of each other member of the combined group. If the parent S corporation is not part of the combined group, the combined group must then

designate a member as its reporting corporation.

If the parent S corporation is not part of the combined group, or if substantially all of the capital stock of a parent corporation that is a member of the combined group is owned or controlled, directly or indirectly, by a person or corporation that is not part of the combined group, enter the name of the non-member parent or that person or corporation and its Employer Identification Number (if any) in the box entitled “Name of Parent of Controlled Group” on page 1.

#### Royalty Payments to Related Members

For tax years beginning on or after January 1, 2013, the General Corporation Tax has been amended to change the treatment of royalty payments to related members. Under prior law, taxpayers who made royalty payments to related entities were required to add back the amount of the payments to taxable income if they were deducted when calculating federal taxable income. To avoid double taxation, if the royalty recipient was also a New York taxpayer, the statute allowed the recipient to exclude the royalty income if the related member added back the deduction for the royalty payment expense.

Ad. Code section 11-602(8)(n), as amended, eliminates the income exclusion previously allowed to certain royalty recipients. It also modifies the two previous exceptions to the add-back requirement and adds two additional exceptions. Those four exceptions generally can apply in following situations (for additional conditions that must be met, see the Ad. Code sections indicated below):

- If all or part of the royalty payment a related member received was then paid to an unrelated third party during the tax year, that portion of the payment will be exempt if the transaction giving rise to the original royalty payment to the related member was undertaken for a valid business purpose, and the related member was subject to tax on the royalty payment in this city or another city within the United States or a foreign nation or some combination thereof (Ad. Code section 11-602(8)(n)(2)(B)(i));
- If the taxpayer’s related member paid an aggregate effective rate of tax on the royalty payment, to this city or another city within the United States or some combination thereof, that is not less than 80 percent of the rate of tax that applied to the taxpayer under Ad. Code section 11-643.5 for the tax year (Ad. Code section 11-602(8)(n)(2)(B)(ii));
- If the related member is organized under

the laws of a foreign country that has a tax treaty with the United States, the related member's income from the transaction was taxed in such country at an effective rate of tax at least equal to that imposed by this city, and the transaction giving rise to the royalty was undertaken for a valid business purpose and reflected an arm's length relationship. (Ad. Code section 11-602(8)(n)(2)(B)(iii)); or

- If the taxpayer and the Department of Finance agree to alternative adjustments that more appropriately reflect the taxpayer's income. (Ad. Code section 11-602(8)(n)(2)(B)(iv)).

The law as amended also defines the term "related member" by linking it to the definition in Internal Revenue Code section 465(b)(3)(c), but substituting 50 percent for the 10 percent ownership threshold. See Ad. Code section 11-640(m).

### Special Rules For Combining Captive Real Estate Investment Trusts (REITs) and Regulated Investment Companies (RICs).

#### Captive REITs and RICs.

For tax years beginning on or after January 1, 2009, the law has been amended to provide that a captive REIT or RIC must generally be included in a combined report under the General Corporation Tax (GCT) or Banking Corporation Tax (BCT). Under Ad. Code 11-601(12), a REIT or RIC is a captive REIT or RIC if more than 50% of its voting stock is owned or controlled, directly or indirectly, by a single corporation. Any voting stock held in a segregated asset account of a life insurance corporation as described in Internal Revenue Code section 817 is not taken into account for the purpose of determining the percentage of stock ownership. As explained more below, if a corporation subject to the GCT directly owns over 50% of the voting stock of a captive REIT or RIC or is the "closest controlling shareholder" of a captive REIT or RIC, then the captive REIT or RIC must be included in a combined report under the GCT with that corporation. For these purposes, the "closest controlling stockholder" means the corporation: (a) that indirectly owns or controls over 50% of the voting stock of a captive REIT or RIC; (b) is subject to tax under the GCT or BCT or otherwise required to be included in a combined report or report under the GCT or BCT; and (c) is the fewest tiers of corporations away in the ownership structure from the captive REIT or RIC.

If a captive REIT or RIC is required to be included in a combined report under the GCT, it will be subject to tax under the GCT. Ad.

Code § 11-605(4)(a)(5). **Note that if a captive REIT or RIC is required to be included in a combined report under the BCT, it will not be subject to tax under the GCT, and, as a result, must file an NYC-1 report. Ad. Code section 11-640(d).**

#### Requirement to be Included in a Combined Report under the GCT.

A captive REIT or RIC must be included in a combined report under the GCT under the following conditions:

- (1) A captive REIT or RIC must be included in a combined report with the corporation that directly owns or controls over 50% of the voting stock of the captive REIT or RIC if that corporation is subject to tax or required to be included in a combined report under the GCT.
- (2) If over 50% of the voting stock of a captive REIT or RIC is not directly owned or controlled by a corporation that is subject to tax or required to be included in a combined report under the GCT, then the captive REIT or RIC must be included in a combined report with the corporation that is the "closest controlling" stockholder of the captive REIT or RIC. If the corporation that is the "closest controlling" stockholder is subject to tax or required to be included in a combined report under the GCT, then the captive REIT or RIC must be included in a combined report under the GCT.
- (3) If the corporation that directly owns or controls the voting stock of the captive REIT or captive RIC is described as a corporation that is not permitted to make a combined report as provided in Ad. Code section 11-605(4)(a)(1), (a)(2) or (a)(4), then the captive REIT or captive RIC must determine the closest controlling shareholder under Ad. Code section 11-605(4)(a)(5)(iii) to be included in a combined report with that corporation. If the corporation that is the closest controlling stockholder of the captive REIT or captive RIC is a corporation not permitted to make a combined report, then that corporation is deemed to not be in the ownership structure of the captive REIT or captive RIC, and the closest controlling stockholder will be determined under Ad. Code section 11-605(4)(a)(5)(iii) without regard to that corporation.
- (4) If a captive REIT owns the stock of a qualified REIT subsidiary (as defined in IRC section 856(i)(2)), then the qualified REIT subsidiary must be included in any

combined report required to be made by the captive REIT that owns its stock.

- (5) If a captive REIT or RIC is required by any of the conditions set out herein to be included in a combined report with another corporation, and that other corporation is required to be included in a combined report with another corporation under other provisions of Ad. Code 11-605(4)(a), the captive REIT or RIC must be included in that combined report with those corporations.
- (6) If a captive REIT or RIC is not required to be included in a combined report or report under the GCT (Ad. Code § 11-605(4)(a)(5)) or BCT (Ad. Code § 11-646(f)), then the corporation will be required to file a combined report if it either meets the substantial intercorporate transactions requirement provided in Ad. Code 11-605(4)(a) or the inter-company transactions or agreement, understanding, arrangement or transaction requirement of Ad. Code § 11-605(4)(a)(3) is satisfied and more than 50% of the voting stock of the captive REIT or the captive RIC and substantially all of the capital stock of that other corporation are owned and controlled, directly or indirectly, by the same corporation.

#### Computation of tax for Captive REITs and RICs.

In the case of a combined report under the GCT, the tax is measured by the combined entire net income or combined capital of all the corporations included in the report, including any captive REIT or RIC.

In the case of a captive REIT or RIC that must be included in a combined report, the entire net income of the captive REIT must be computed under Ad. Code § 11-603(7) and the entire net income of a captive RIC must be computed under Ad. Code § 11-603(8).

In computing entire net income, the deduction under the IRC for dividends paid by the captive REIT or 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 RIC must be added back to the federal taxable income of the captive REIT or RIC for tax years beginning on or after January 1, 2009. The term affiliated group is defined in IRC section 1504 without regard to the exceptions of 1504(b).

#### WHEN AND WHERE TO FILE

The due date for filing is on or before March 16, 2026 or, for fiscal year taxpayers, on or before the 15th day of the 3rd month following the

close of the fiscal year.

**Special short-period returns:** If this is NOT a final return and your federal return covered a period of less than 12 months as a result of your joining or leaving a federal consolidated group or as a result of a federal IRC §338 election, this return generally will be due on the due date for the federal return and not on the date noted above. Check the box on the front of the return.

All returns, except refund returns:

**NYC Department of Finance  
P.O. BOX 5564  
Binghamton, NY 13902-5564**

**Remittances** - Pay online with Form NYC-200V at [nyc.gov/eservices](http://nyc.gov/eservices), or Mail payment and Form NYC-200V only to:

**NYC Department of Finance  
P.O. Box 3933  
New York, NY 10008-3933**

Returns claiming refunds:

**NYC Department of Finance  
P.O. Box 5563  
Binghamton, NY 13902-5563**

#### **AUTOMATIC EXTENSIONS**

An automatic extension of six months for filing this return will be allowed if, by the original due date, the taxpayer files with the Department of Finance an application for automatic extension on Form NYC-EXT and pays the amount properly estimated as its tax. See the instructions for Form NYC-EXT for information regarding what constitutes a proper estimated tax for this purpose. Failure to pay a proper estimated amount will result in a denial of the extension. A taxpayer with a valid six-month automatic extension filed on Form NYC-EXT may request up to two additional three-month extensions by filing Form NYC-EXT.1. A separate Form NYC-EXT.1 must be filed for each additional three-month extension.

Mail Forms NYC-EXT and EXT.1 to the address indicated on those forms.

#### **FINAL RETURNS**

If an S corporation ceases to do business in New York City, the due date for filing a final General Corporation Tax Return is the 15th day after the date of the cessation (Section 11-605 of the NYC Admin. Code). Corporations may apply for an automatic six-month extension for filing a final return by filing Form NYC-EXT, Application for Automatic 6-Month Extension of Time to File Business Income Tax Return on or before that date. Any tax due must be paid with the final return or the extension, whichever is filed earlier.

#### **AMENDED RETURNS**

For taxable years beginning on or after January 1, 2015, changes in taxable income or other tax base made by the Internal Revenue Service ("IRS") and/or New York State Department of Taxation and Finance ("DTF") will no longer be reported on form NYC-3360. Instead, taxpayers must report these federal or state changes to taxable income or other tax base by filing an amended return. This amended return must include an explanatory DOF tax worksheet that identifies each change to the tax base ("Tax Base Change") and shows how each such Tax Base Change affects the taxpayer's calculation of its New York City tax. A template for the explanatory tax worksheet (Schedule Template) will be available on the DOF website at [nyc.gov/finance](http://nyc.gov/finance). This amended return must also include a copy of the IRS and/or DTF final determination, waiver, or notice of carryback allowance. Taxpayers that have federal and state Tax Base Changes for the same tax period may report these changes on the same amended return that includes separate explanatory tax worksheets for the IRS Tax Base Changes and the DTF Tax Base Changes. Note that for taxable years beginning on or after January 1, 2015, DTF Tax Base Changes may include changes that affect income or capital allocation.

The Amended Return checkbox on the return is to be used for reporting an IRS or DTF Tax Base Changes, with the appropriate box for the agency making the Tax Base Changes also checked. Taxpayers must file an amended return for Tax Base Changes within 90 days (120 days for taxpayers filing a combined report) after (i) a final determination on the part of the IRS or DTF, (ii) the signing of a waiver under IRC §6213(d) or NY Tax Law §1081(f), or (iii) the IRS' allowance of a tentative adjustment based on a NOL carryback or a net capital loss carryback.

If the taxpayer believes that any Tax Base Change is erroneous or should not apply to its City tax calculation, it should not incorporate that Tax Base Change into its City tax calculation on its amended return. However, the taxpayer must attach: (i) a statement to its report that explains why it believes the adjustment is erroneous or inapplicable; (ii) the explanatory tax worksheet that identifies each Tax Base Change and shows how each would affect its City tax calculation; and (iii) a copy of the IRS and/or DTF final determination, waiver, or notice of carryback allowance.

For more information on federal or state Tax Base Changes, including a more ex-

pansive explanation of how taxpayers must report these changes as well as a sample of the explanatory schedule to be included within the amended return, see *Finance Memorandum 17-5, revised 10/10/2018*.

To report changes in taxable income or other tax base made by the Internal Revenue Service and /or New York State Department of Taxation and Finance for taxable years beginning prior to January 1, 2015, the Form NYC-3360 should still be used.

#### **FOR AMENDED RETURNS BASED ON FEDERAL PARTNERSHIP CHANGES**

If the taxpayer is a partner in a partnership and such partnership was required to report a federal or state change, or was subject to an alternative adjustment action with respect to the taxable year for which this form is filed ("reviewed year"), the taxpayer must report its distributive share of such federal or state change or alternative adjustment action, as though it was made directly to such taxpayer's federal or state taxable income. An "alternative adjustment action" means a final federal adjustment as determined pursuant to IRC §6225 or an administrative adjustment request filed by the partnership under IRC §6227, including adjustments with respect to which the partnership made a federal election for alternative payment as described in IRC §6226. To report such changes the taxpayer must file an amended return in accordance with the instructions above with regard to reporting federal and state changes and check the Federal/State Partnership Change checkbox. The amended return must include copies of the notice of the final partnership adjustment, or, in the case of an administrative adjustment request, Forms 8082, 8980 (along with a letter of approval from the IRS of the requested modifications), 8985 and 8986, if such forms were filed with the IRS.

#### **ACCESSING NYC TAX FORMS**

**By Computer** - Download forms from the Finance website at [nyc.gov/finance](http://nyc.gov/finance)

**By Phone** - Order forms by calling 311. If calling from outside of the five NYC boroughs, please call 212-NEW-YORK (212-639-9675).

#### **OTHER FORMS YOU MAY BE REQUIRED TO FILE**

**FORM NYC-EXT** - Application For Automatic 6-Month Extension of Time to File Business Income Tax Return. File it on or before the due date of the return.

**FORM NYC-EXT.1** - Application for Additional Extension is a request for an additional three months of time to file a return. A corporation with a valid six-month extension is limited to two additional extensions.

**FORM NYC-222** - Underpayment of Estimated Tax by Corporations will help a corporation determine if it has underpaid an estimated tax installment and, if necessary, compute the penalty due.

**FORM NYC-245** - Activities Report of Business and General Corporations must be filed by a corporation that has an officer, employee, agent or representative in the City but disclaims liability for the General Corporation Tax.

**FORM NYC-399** - Schedule of New York City Depreciation Adjustments is used to compute the allowable New York City depreciation deduction if a federal ACRS or MACRS depreciation deduction is claimed for certain property placed in service after December 31, 1980.

**FORM NYC-399Z** - Depreciation Adjustments for Certain Post 9/10/01 Property may have to be filed by taxpayers claiming depreciation deductions for certain sport utility vehicles or "qualified property," other than "qualified New York Liberty Zone property," "qualified New York Liberty Zone leasehold improvements" and "qualified resurgence zone property" placed in service after September 10, 2001, for federal or New York State tax purposes. See Finance Memorandum 25-1, "Application of IRC §280F Limits to Sports Utility Vehicles."

**FORM NYC-400** - Declaration of Estimated Tax by General Corporations must be filed by any corporation whose New York City tax liability can reasonably be expected to exceed \$1,000 for any calendar or fiscal tax year. Form NYC-400 may also be used to make the quarterly estimated tax payments.

**FORM NYC-3360** - General Corporation Tax Report of Change in Tax Base Made by Internal Revenue Service and/or New York State Department of Taxation and Finance is used for reporting adjustments in taxable income or other basis of tax resulting from an audit of your federal corporate tax return and/or State audit of your State corporate tax return for taxable years beginning prior to January 1, 2015 only.

**FORM NYC-CR-A** - Commercial Rent Tax Annual Return must be filed by every tenant that rents premises for business purposes in Manhattan south of the center line of 96th Street and whose annual or annualized gross rent for any premises is at least \$200,000. (Effective June 1, 2001.)

**FORM NYC-RPT** - Real Property Transfer Tax Return must be filed when the corporation acquires or disposes of an interest in real property, including a leasehold interest; when there is a partial or complete liquidation of the corporation that owns or leases real property; or when there is a transfer of a controlling economic interest in a corporation, partnership or trust that owns or leases real property.

**FORM NYC-ATT-S-CORP** - Calculation of federal Taxable Income for S Corporations must be included in the GCT filing of every federal S corporation.

**FORM NYC-NOLD-GCT** - Net Operating Loss Deduction Computation must be included in the GCT filing of every GCT taxpayer claiming a net operating loss deduction.

**FORM NYC-3A/B** - If more than one subsidiary is included in the combined report complete the Subsidiary Detail Spreadsheet which must be included in the Combined GCT tax filing.

**FORM NYC-3A/ATT** - this schedule must be completed by each member of the combined group.

If you have delinquent taxes and you are interested in the Voluntary Disclosure and Compliance Program, please go to our website at [www.nyc.gov/finance](http://www.nyc.gov/finance).

#### ESTIMATED TAX

If the tax for the period following that covered by this return is expected to exceed \$1,000, a declaration of estimated tax and installment payments are required. Form NYC-400 is to be used for this purpose. If the tax on this return exceeds \$1,000, submit Form NYC-400 which is available on the Department of Finance's website.

If, after filing a declaration, your estimated tax substantially increases or decreases as a result of a change in income, deduction or allocation, you must amend your declaration on or before the next date for an installment payment. Mail the amended declaration, using Form NYC-400, along with your check to:

NYC Department of Finance  
P.O. Box 3922  
New York, NY 10008-3922

If the amendment is made after the 15th day of the 9th month of the taxable year, any increase in tax must be paid with the amendment.

These payments can also be made online at [nyc.gov/eservices](http://nyc.gov/eservices).

For more information regarding estimated tax

payments and due dates, see Form NYC-400.

#### PENALTY FOR UNDERSTATING TAX

If there is a substantial understatement of tax (i.e., if the amount of the understatement exceeds the greater of 10% of the tax required to be shown on the return or \$5,000) for any taxable year, a penalty will be imposed equal to 10% of the amount of the understated tax.

The amount on which you pay the penalty can be reduced by subtracting any item for which (1) there is or was substantial authority for the way in which the item was treated on the return, or (2) there is adequate disclosure of the relevant facts affecting the item's tax treatment on the return or in a statement attached to the return.

#### CHANGE OF BUSINESS INFORMATION

If there have been any changes in your business name, identification number, billing or mailing address or telephone number, complete Form DOF-1, Change of Business Information. You can obtain this form by calling 311. If calling from outside of the five NYC boroughs, please call 212-NEW-YORK (212-639-9675). You can also logon to [nyc.gov/finance](http://nyc.gov/finance).

#### SIGNATURE

This report must be signed by an officer authorized to certify that the statements contained herein are true. If the taxpayer is a publicly-traded partnership or another unincorporated entity taxed as a corporation, this return must be signed by a person duly authorized to act on behalf of the taxpayer.

#### TAX PREPARERS

Anyone who prepares a return for a fee must sign the return as a paid preparer and enter his or her Social Security Number or PTIN. (See Finance Memorandum 00-1.) Include the company or corporation name and Employer Identification Number, if applicable.

**Preparer Authorization:** If you want to allow the Department of Finance to discuss your return with the paid preparer who signed it, you must check the "Yes" box in the signature area of the return. This authorization applies only to the individual whose signature appears in the "Preparer's Use Only" section of your return. It does not apply to the firm, if any, shown in that section. By checking the "Yes" box, you are authorizing the Department of Finance to call the preparer to answer any questions that may arise during the processing of your return. Also, you are authorizing the preparer to:

- give the Department any information

missing from your return,

- call the Department for information about the processing of your return or the status of your refund or payment(s), and
- respond to certain notices that you have shared with the preparer about math errors, offsets, and return preparation. The notices will not be sent to the preparer.

You are not authorizing the preparer to receive any refund check, bind you to anything (including any additional tax liability), or otherwise represent you before the Department. The authorization cannot be revoked; however, the authorization will automatically expire no later than the due date (without regard to any extensions) for filing next year's return. Failure to check the box will be deemed a denial of authority.

**SPECIFIC INSTRUCTIONS**

**Period Covered**

File the 2025 return for calendar year 2025 and fiscal years that begin in 2025 and end in 2026. For a fiscal or short tax year return, fill in the tax year space at the top of the form. The 2025 Form NYC-3A also can be used if:

- You have a tax year of less than 12 months that begins and ends in 2026, and
- The 2026 Form NYC-3A is not available at the time you are required to file the return.

You must show the 2026 tax year on the 2025 Form NYC-3A and take into account any tax law changes that are effective for tax years beginning after December 31, 2025.

**Special Condition Codes**

Check the Finance website for applicable special condition codes. If applicable, enter the two character code in the box provided on the form.

**Special short-period returns**

If this is NOT a final return and your Federal return covered a period of less than 12 months as a result of your joining or leaving a Federal consolidated group or as a result of a Federal IRC §338 election, this return generally will be due on the due date for the Federal return and not on the date noted on the return on page 2. Check the box on the front of the return.

**9/11/01 related tax benefits**

Check the appropriate box on page 1 of this form if, on your federal return: (i) you reported bonus depreciation and/or a first year expense deduction under IRC §179 for "qualified New York Liberty Zone property," "qualified New York Liberty Zone leasehold improvements," or "qualified Resurgence Zone property," regardless of whether you are required to file form NYC-399Z or (ii) you replaced property involuntarily converted as a result of the attacks on the World Trade Center during the five (5) year extended replacement period. You must attach Federal forms 4562, 4684 and 4797 to this return.

**SCHEDULE A**

**Computation of Tax**

**LINE A - PAYMENT**

After completing this form, enter the amount of your payment.

**LINE 2 - ALLOCATED CAPITAL**

The tax based on allocated combined capital is limited to \$1,000,000. Multiply the amount from Schedule E, line 14 by the applicable percentage, but do not enter more than \$1,000,000 in the right-hand column on line 2, Schedule A.

**LINE 3 - ALTERNATIVE TAX**

Every taxpayer, other than a REIT or RIC, must calculate its alternative tax and enter its computation on line 3. To compute the alternative tax, measured by entire net income plus compensation, you must use the schedule on page 2 of Form NYC-3A. Professional corporations must calculate the alternative tax.

**ADDITIONAL INFORMATION FOR COMPUTING THE ALTERNATIVE TAX**

**ALTERNATIVE TAX SCHEDULE**

**Line 1 - Net Income.** Enter the amount from Schedule B, line 18 or 19. If the amount entered on Schedule B, line 18 is 0 because the amount that would have been entered on that line would have been a loss (i.e., the amount on Schedule B, line 17 was greater than the amount on Schedule B, line 8), enter the amount of this loss on line 1.

**Line 2 - Salaries.** No portion of officers salaries and other compensation is included in the alternative tax base. Notwithstanding the foregoing, include in the alternative tax computation 100% of all salaries and compensation of stockholders owning more than 5% of the corporation's stock, as deducted for federal tax purposes and reported on Schedule F of Form NYC-3A/B or NYC-3A/ATT, regardless of whether such stockholders are also officers. In determining whether a stockholder owns more than 5% of the issued

capital stock, include all classes of voting and nonvoting stock, issued and outstanding.

**Line 3 -** Enter on line 3 the sum of line 1 and line 2.

**Line 4 -** Enter \$40,000. If the return does not cover an entire year, the exclusion must be prorated based on period covered by the return.

**Line 6 -** The alternative tax measured by entire net income plus compensation is determined by multiplying line 5 by 15 percent.

**LINE 4 - MINIMUM TAX**

For tax years beginning after 2008, there is a sliding scale fixed dollar minimum tax based on business receipts allocated to New York City. The amount of City business receipts for this purpose is the same as the amount used for determining the taxpayer's business allocation percentage. See Ad Code § 11-604(1)(E)(a)(4) as amended by Ch. 201, § 17, of the Laws of 2009.

Enter the amount of New York City Receipts for the reporting corporation from Schedule H, column A, line 6a and the Minimum Tax amount for the reporting corporation from the following table. If 100% of your business income is to be allocated to the City, enter the total amount of your business receipts, which should be the same as the amount you would have had to enter on Schedule H, column A, line 6a, if you had been required to complete that line.

**Table - Fixed dollar minimum tax**  
For a corporation with New York City receipts of:

Not more than \$100,000: .....	\$25
More than \$100,000 but not over \$250,000: .....	\$75
More than \$250,000 but not over \$500,000: .....	\$175
More than \$500,000 but not over \$1,000,000: .....	\$500
More than \$1,000,000 but not over \$5,000,000: .....	\$1,500
More than \$5,000,000 but not over \$25,000,000: .....	\$3,500
Over \$25,000,000: .....	\$5,000

**Short periods -Fixed dollar minimum tax**

Compute the New York City receipts for short periods (tax periods of less than 12 months) by dividing the amount of New York City receipts by the number of months in the short period and multiplying the result by 12. Once this annualized amount is calculated (do not replace your NYC receipts on Line 4 with this annualized amount) use the table above to determine the fixed dollar

minimum tax based on the annualized amount. The resulting fixed dollar minimum tax may be reduced for short periods as indicated below. Enter the reduced amount on line 4 (If applicable).

**Period Reduction**

- Not more than 6 months .....50%
- More than 6 months but not more than 9 months .....25%
- More than 9 months .....None

**CREDITS - GENERAL**

Complete a separate Credit Form for the reporting corporation and any other member of the combined group, if applicable. The Total amount of each credit, i.e. the sum of the credits taken for each member of the combined group, is placed on Schedule A, line 9, 11a, 11b, 12a, or 12c.

**LINE 9 – CREDIT FROM FORM NYC- 9.7**

Enter on line 9 the sum of credits against the General Corporation tax for unincorporated business tax paid by partnerships from which any corporation included in this return receives a distributive share or guaranteed payment that is included in calculating General Corporation Tax liability on either the entire net income or income plus compensation base. (Attach Form NYC-9.7). Taxpayers liable for the General Corporation Tax on the capital base or for the minimum tax should enter zero on line 9. (See the instructions to Form NYC-9.7.)

**LINE 11a – CREDITS FROM FORM NYC–9.5**

Enter on this line the Relocation and Employment Assistance Program (REAP) credit (Attach Form NYC-9.5).

**LINE 11b - CREDITS FROM FORM NYC-9.8**

Enter on this line the sum of the credits against the General Corporation Tax for the new Lower Manhattan relocation and employment assistance program. (Attach Form NYC-9.8).

**LINE 12a - CREDITS FROM FORM NYC-9.6**

Real estate tax escalation credit and employment opportunity relocation costs credit and industrial business zone credit (Refer to instructions on Form NYC-9.6 and attach form).

**LINE 12b - BIOTECHNOLOGY CREDIT**

Enter on this line the biotechnology credit. (Attach Form NYC-9.10.)

**LINE 12c – CREDITS FROM FORM NYC-9.12**

Enter on this line the Beer Production Credit. (Attach Form NYC-9.12).

**LINE 12d - CHILD CARE CREDIT**

Enter on this line the NYC Child Care Credit. (Attach Department of Finance approval letter).

**LINE 12e - RELOCATION ASSISTANCE CREDIT PER EMPLOYEE (RACE) CREDIT**

Refer to instructions on Form NYC-9.13 and

attach form.

**LINE 14b - FIRST INSTALLMENT PAYMENT**

Do not use this line if an application for automatic extension, Form NYC-EXT, has been filed. The payment of the amount shown at line 14 is required as payment on account of estimated tax for the 2026 calendar year, if a calendar year taxpayer, or for the taxable year beginning in 2026, if a fiscal year taxpayer.

**LINE 16 - PREPAYMENTS**

Enter the sum from line H, Prepayment Schedule of all estimated payments made for this tax period, the payment made with the extension request, if any, and both the carryover credit and the first installment recorded on the prior tax period’s return.

**LINE 19a - LATE PAYMENT - INTEREST**

If the tax is not paid on or before the due date (determined without regard to any extension of time), interest must be paid on the amount of the underpayment from the due date to the date paid. For information as to the applicable rate of interest, call 311. If calling from outside of the five NYC boroughs, please call 212-NEW-YORK (212-639-9675) or logon to [nyc.gov/finance](http://nyc.gov/finance).

**LINE 19b - LATE PAYMENT OR LATE FILING/ADDITIONAL CHARGES**

- a) A late filing penalty is assessed if you fail to file this form when due, unless the failure is due to reasonable cause. For every month or partial month that this form is late, add to the tax (less any payments made on or before the due date) 5%, up to a total of 25%.
- b) If this form is filed more than 60 days late, the above late filing penalty cannot be less than the lesser of (1) \$100 or (2) 100% of the amount required to be shown on the form (less any payments made by the due date or credits claimed on the return).
- c) A late payment penalty is assessed if you fail to pay the tax shown on this form by the prescribed filing date, unless the failure is due to reasonable cause. For every month or partial month that your payment is late, add to the tax (less any payments made) 1/2%, up to a total of 25%.
- d) The total of the additional charges in a) and c) may not exceed 5% for any one month except as provided for in b).

If you claim not to be liable for these additional charges, attach a statement to your return explaining the delay in filing, payment or both.

**LINE 19c - PENALTY FOR UNDERPAYMENT OF ESTIMATED TAX**

A penalty is imposed for failure to file a decla-

ration of estimated tax or for failure to pay each installment payment of estimated tax due. (For complete details, refer to Form NYC-222, Underpayment of Estimated Tax by Corporations.) If you underpaid your estimated tax, use Form NYC-222 to compute the penalty. Attach Form NYC-222. If no penalty is due, enter “0” on line 19c. Form NYC-222 may be attached as a PDF if you are e-filing.

**LINE 22b - AMOUNT CREDITED TO ESTIMATED TAX**

Note: Any amount reported on line 22b will be credited to the following year’s estimated tax. That amount will be deemed to have been paid towards the tax for the following year and no claim for credit or refund of such overpayment shall be allowed for the taxable year for which the overpayment arose. See Ad. Code section 11-677(2) and Statement of Audit Procedure #PP-2008-22, 4/14/08.

**LINE 23 - TOTAL REMITTANCE DUE**

If the amount on line 17 is greater than zero or the amount on line 21 is less than zero, enter on line 23 the sum of line 17 and the amount, if any, by which line 20 exceeds the amount on line 18.

**LINE 25 - GROSS RECEIPTS OR SALES**

The amount entered on line 25 should be the sum of the gross receipts or sales less returns and allowances for each member of the combined group.

**LINE 28 - NEW YORK CITY RENT**

Enter the total rent deducted for federal purposes for premises located in New York City for each member of the combined group. Rent includes consideration paid for the use or occupancy of premises as well as payments made to or on behalf of a landlord for taxes, charges, insurance or other expenses normally payable by the landlord other than for the improvement, repair or maintenance of the tenant’s premises.

**PREPAYMENTS SCHEDULE**

Enter the payment date and the amount of all prepayments made for this tax period. Include on Line G the payments made by any of the subsidiaries. Attach a rider detailing the payments.

For interest calculations and account information, call 311. If calling from outside of the five NYC boroughs, please call 212-NEW-YORK (212-639-9675). You can also visit the Finance website at [nyc.gov/finance](http://nyc.gov/finance)

**THE FOLLOWING LINE INSTRUCTIONS ARE FOR FORMS NYC-3A, NYC-3A/B AND NYC-3A/ATT.**

**Form NYC- 3A** is the form on which the combined tax is computed. In column A, enter the information for the reporting corporation. In col-

umn B, enter the total for all subsidiaries from Form NYC-3A/B. If the group is comprised of only one subsidiary, enter the information for that subsidiary in column B and Item 3 of the Additional Information Required on page 10.

Columns A and B on Form NYC-3A are then added together, and the subtotal is indicated in column C. Enter in column D any intercorporate eliminations. Attach a rider of any intercorporate eliminations for each corporation in the combined group. Subtract column D from the subtotal in column C and enter the balance in column E.

**Form NYC- 3A/B** provides a column for each member in the group other than the reporting corporation. The columns are added together and the totals are then carried to the subsidiary column B on Form NYC-3A. If there are only two corporations included in the combined return, Form NYC-3A/B is not required. If more than four corporations are included in the combined return, attach multiple copies of Form NYC-3A/B, pages 2, 4, and 6. Do not attach multiple copies of pages 1, 3 and 5.

**Form NYC-3A/ATT** provides subsidiary capital, investment capital, salaries and compensation of stockholders and business location information. Attach one Form NYC-3A/ATT for each corporation in the combined group (including the reporting corporation). For subsidiaries, the Total columns from these schedules are carried to Form NYC-3A/B, if Form NYC-3A/B is required. Transfer the amounts to the schedules and lines on the Form NYC-3A/B as indicated. If there are only two corporations included in the combined return, the Total column may be carried directly to the Total Subsidiaries column in the appropriate schedule of Form NYC-3A. For the reporting corporation, the Total column is carried directly to the column in the appropriate schedule on Form NYC-3A.

## SCHEDULE B

### *(Entire Net Income)*

Form NYC-3A/B does not include lines for those items that are computed on the combined basis.

## LINE 1 - FEDERAL TAXABLE INCOME

**S corporations and qualified subchapter S subsidiaries (QSSS) must file returns as ordinary corporations. Federal S corporation taxpayers included in a combined return must complete form NYC-ATT-S-CORP, Calculation of Federal Taxable Income for S corporations and include it with this Form.**

**NOTE:** The total charitable contribution deduction from federal Form 1120S, Schedule K, line

12a and 12b may not exceed 10% of the sum of lines 1 through 12e (other than line 12a and 12b) of Schedule K, subject to any exception provided in the IRC with respect to C corporations.

## LINE 2 - NONTAXABLE INTEREST

Include all interest received or accrued which was not taxable on your federal income tax return.

## LINES 3 AND 4 - SUBSIDIARY CAPITAL

A subsidiary is a corporation which is controlled by the taxpayer by reason of the taxpayer's ownership of more than 50% of the total number of shares of the corporation's voting capital stock, issued and outstanding. The term "subsidiary capital" means all investments in the stock of subsidiary corporations, plus all indebtedness from subsidiary corporations (other than accounts receivable acquired in the ordinary course of business for services rendered or from sales of property held primarily for sale to customers), whether or not evidenced by bonds or other written instruments, on which interest is not claimed and deducted by the subsidiary for purposes of taxation under Title 11, Chapter 6, Subchapters 2 and 3 of the Admin. Code.

If you have a subsidiary, complete lines 3 and 4, and attach a list of all items included. You will also have to complete Schedule C. If you do not have a subsidiary, enter "0" on lines 3 and 4.

On line 3, enter total of amounts, including interest expense, deducted in computing federal taxable income that are directly attributable to subsidiary capital or to income, gains or losses from subsidiary capital. Include capital losses from sales or exchanges of subsidiary capital, all other losses, bad debts and any carrying charges attributable to subsidiary capital.

On line 4, enter all amounts, including interest, that are indirectly attributable to subsidiary capital or to income, gains or losses from subsidiary capital.

For more information, see also Statement of Audit Procedure GCT-2008-04, Noninterest Expense Attribution, April 9, 2008, available on the Department's website ([nyc.gov/finance](http://nyc.gov/finance)).

## LINE 5 - STATE AND LOCAL BUSINESS TAXES

On line 5a enter the amount deducted on your federal return for business taxes paid or accrued to any state, any political subdivision of a state or to the District of Columbia if they are on or measured by profits or income or include profits or income as a measure of tax, including taxes expressly in lieu of any of the foregoing taxes. Include the New York State Metropolitan Transportation Business Tax

surcharge and the MTA Payroll Tax (New York State Tax Law, Art. 23). Do not include Pass Through Entity Taxes, including the NYS PTET and NYC PTET on this line.

Attach a rider listing each locality and the amount of all those taxes deducted on your federal return.

On line 5b, enter the amount of New York City General Corporation Tax and Banking Corporation Tax deducted on your federal return.

## LINE 5c - NYS PASS THROUGH ENTITY TAX AND SIMILAR TAXES FROM OTHER JURISDICTIONS

For tax years beginning on or after January 1, 2021, eligible pass through entities may opt into the NYS PTET Tax imposed under New York Tax Law Article 24-A. Pursuant to Administrative Code Section 11-602(8)(b)(3), General Corporation Tax taxpayers are required to add back NYS PTET deducted from federal taxable income. Taxpayers are also required to add back to federal taxable income similar pass through entity taxes from other jurisdictions. Enter on line 5c the amount of NYS PTET and similar taxes from other jurisdictions (other than New York City) deducted when calculating federal taxable income. *(Attach a schedule listing each locality and the amount of all those taxes deducted on your federal return).*

## LINE 5d - NEW YORK CITY PASS THROUGH ENTITY TAX

For tax years beginning on or after January 1, 2022, eligible New York City pass through entities may opt into the NYC PTET imposed under New York Tax Law Article 24-B. Pursuant to Administrative Code Section 11-602(8)(b)(3), taxpayers subject to the General Corporation Tax are required to add back NYC PTET deducted in calculating federal taxable income. Enter on line 5d the amount of NYC PTET deducted when calculating federal taxable income.

## LINES 6a, 6b and 6c - NEW YORK CITY ADJUSTMENTS

a&b) For the reporting corporation, enter the amount to NYC-3A, column A. For the other members of the combined group, enter amount on Form NYC-3A/B and the sum on NYC-3A column B. If there is only one other member of the combined group, enter the amount for that corporation on the NYC-3A, column B. Taxpayers claiming the real estate tax escalation credit and/or the employment opportunity relocation costs credit or the industrial business zone credit must enter on lines 6(b) and 6(a), respectively, the amounts shown on lines 4 and 5, re-

spectively, of Part II of Form NYC-9.6.

- c) The federal bonus depreciation allowed for "qualified property", as defined in the Job Creation and Worker Assistance Act of 2002 is not allowed for General Corporation Tax purposes except for such deductions allowed with respect to "qualified New York liberty zone property", "qualified New York liberty zone leasehold improvements" and "qualified property" placed in service in the Resurgence Zone (generally the area in the borough of Manhattan south of Houston Street and north of Canal Street). For City tax purposes, depreciation deductions for all other "qualified property" must be calculated as if the property was placed in service prior to September 11, 2001.

#### Recent Federal Legislation Effecting Depreciation.

Section 13201(b) of the Tax Cuts and Jobs Act of 2017 ("TCJA") extended the bonus depreciation deduction to cover property placed in service before January 1, 2027 (except for aircraft and long-production period property have to be placed into service before January 1, 2028.) Previously, Section 143 of the Protecting Americans from Tax Hikes Act of 2015, Pub. L. No.114-113, Div Q (December 18, 2015) ("2015 PATH Act") had extended bonus depreciation so that it was available for property acquired and placed in service during 2015-2019; bonus depreciation was extended through 2020 for certain property with a longer production period. Under the 2015 PATH Act, the bonus depreciation is 50% for property placed in service during 2015-2017, 40% for property placed in service during 2018, and 30% for property placed in service during 2019.

Pursuant to section 13201(a) of the TCJA, for property placed in service after September 27, 2017, the bonus depreciation rate was raised to 100% with the phase-down to begin in 2023. The taxpayer can elect to apply a 50% depreciation rate for property placed in service in the taxpayer's first tax year ending after September 27, 2017. The phase-down of the bonus depreciation enacted under the 2015 PATH Act is still applicable to property acquired before September 28, 2017. Thus, for property acquired before September 28, 2017 and placed in service in 2018, the bonus depreciation is 40% and 30% for property placed in service in 2019 with no bonus depreciation for property placed in service after 2019. Under the TCJA the first year depreciation limit increase of \$8,000 for passenger automobiles under §280(F)(a)(1)(A) is extended to include automobiles placed in service on or before December 31, 2026. Prior to that, in order to qualify for the \$8,000 increase in

bonus depreciation, the passenger automobile would had to have been placed into service on or before December 31, 2019. This extension of the placed in service deadline only applies to automobiles acquired on or after September 28, 2017. However, if the passenger automobile was acquired before September 28, 2018, the first year additional depreciation is phased down to \$6,400 in the case of an automobile placed in service during 2018 and to \$4,800 in the case of automobile placed in service during 2019.

Most recently, section 70301 of P.L. No. 119-21, known as the One Big Beautiful Bill Act of 2025 ("OBBBA"), made permanent the 100% bonus depreciation deduction (also referred to as 100% expensing) to cover property placed in service after January 19, 2025. The taxpayer can elect to apply a 40% depreciation rate (or a 60% depreciation rate for certain types of property) for property placed in service in the taxpayer's first tax year ending after January 19, 2025. The phase-down of the bonus depreciation enacted under the 2017 TCJA is still applicable for property acquired before January 20, 2025. For further information see IRC section 168(k).

The Administrative Code limits the depreciation for "qualified property" other than "Qualified Resurgence Zone property" and "New York Liberty Zone property" to the deduction that would have been allowed for such property had the property been acquired by the taxpayer on September 10, 2001, and therefore, except for Qualified Resurgence Zone property, as defined in the Administrative Code and "New York Liberty Zone property," the City has decoupled from the federal bonus depreciation provision. Qualified Resurgence Zone property is qualified property described in section 168(k)(2) of the internal revenue code substantially all of the use of which is in the Resurgence Zone (which is generally in the borough of Manhattan south of Houston Street and north of Canal Street), is in the active conduct of a trade or business by the taxpayer in such zone, and the original use of which in the Resurgence Zone commences with the taxpayer after September 10, 2001. The Administrative Code also requires appropriate adjustments to the amount of any gain or loss included in entire net income or unincorporated business entire net income upon the disposition of any property for which the federal and New York City depreciation deductions differ. For further information, see the instructions to Form NYC-3L and use Form NYC-399Z for this calculation. For tax years beginning on or after January 1, 2004, other than for eligible farmers (for purposes of the New York State farmers' school tax credit), the amount allowed as a deduction with respect to a sport utility vehicle that is

not a passenger automobile for purposes of section 280F(d)(5) of the Internal Revenue Code is limited to the amount allowed under section 280F of the Internal Revenue Code as if the vehicle were a passenger automobile as defined in that section. For SUVs that are qualified property other than qualified Resurgence Zone property and other than New York Liberty Zone property, the amount allowed as a deduction is calculated as of the date the SUV was actually placed in service and not as of September 10, 2001. Note that for General Corporation Tax purposes:

- An SUV cannot qualify as either Qualified Resurgence Zone Property or as New York Liberty Zone property. See Administrative Code section 11-602(8)(o).
- An SUV cannot qualify for the additional first year depreciation available under the recent federal legislation described above.

On the disposition of an SUV subject to the limitation, the amount of any gain or loss included in income must be adjusted to reflect the limited deductions allowed for City purposes under this provision. Enter on Schedule B, lines 6(c) and 15 the appropriate adjustments from form NYC-399Z. *See Finance Memorandum 25-1, "Application of IRC §280F Limits to Sports Utility Vehicles."*

The federal depreciation deduction computed under the Accelerated Cost Recovery System or Modified Accelerated Cost Recovery System (IRC Section 168) is not allowed for the following types of property:

- property placed in service in New York State in taxable years beginning before January 1, 1985 (except recovery property subject to the provisions of Internal Revenue Code Section 280-F)
- property of a taxpayer principally engaged in the conduct of an aviation, steamboat, ferry, or navigation business, or two or more such businesses which is placed in service in taxable years beginning after December 31, 1988, and before January 1, 1994

In place of the federal depreciation deduction, a depreciation deduction using pre-ACRS or MACRS rules (IRC Section 167) is allowed. Enter on line 6d the ACRS adjustment from Form NYC-399, Schedule C, line 8, Column A. Enter on line 16 the ACRS adjustment from Form NYC-399, Schedule C, line 8, Column B. ACRS and MACRS may be available for property placed in service outside New York in years beginning after 1984 and before 1994. See Finance Memorandum 99-4 "Depreciation for

Property Placed in Service Outside New York After 1984 and Before 1994.”

**LINE 7a - PAYMENT FOR USE OF INTANGIBLES**

Add back payments for the use of intangibles made to related members as required by Ad. Code section 11-602.8(n). See Royalty Payments to Related Members, page 2.

**LINE 7c - OTHER ADDITIONS**

a) Effective for taxable years beginning on or after January 1, 1982, the New York City Admin. Code was amended to nullify the effects of federal “safe harbor leases” upon New York City taxable income (Section 11-602.8(a)(8) and (9) of the Admin. Code). This applies to agreements entered into prior to January 1, 1984.

Any amount included in the computation of federal taxable income solely as a result of an election made under IRC Section 168(f)(8) must be removed when computing New York City taxable income. Any amount excluded in the computation of federal taxable income solely as a result of an election made under IRC Section 168(f)(8) must be included when computing New York City taxable income.

Exempt from these adjustments are leases for qualified mass commuting vehicles and property of a taxpayer, subject to the General Corporation Tax, principally engaged in the conduct of an aviation, steamboat, ferry or navigation business, or two or more such businesses, which is placed in service before taxable years beginning in 1989.

Enter the appropriate additions and deductions on lines 7 and 16, respectively, and attach a rider to show the “safe harbor” adjustments to New York City taxable income.

- b) Foreign taxes paid or accrued that are deducted from gross income to determine federal taxable income must be added to entire net income. A foreign tax credit may not be used as a deduction when computing NYC entire net income.
- c) Any “windfall profit” tax deducted in computing federal income must be added back when computing NYC entire net income.
- d) If the taxpayer deducted on its federal return interest paid to a corporate stockholder owning more than 50% of its issued and outstanding stock, that corporate shareholder may not exclude that in-

terest from its NYC entire net income as income from subsidiary capital. (See instructions for lines 3, 4 and 9.) To enable a more than 50% corporate shareholder to treat any such interest as excludible income from subsidiary capital, such interest should be added back on line 7, Column E, of this return in computing NYC entire net income.

- e) In the case of a taxpayer organized outside the United States, all income from sources outside the United States, less all allowable deductions attributable thereto, that was not taken into account in computing federal taxable income must be added back in computing NYC entire net income.
- f) Add back the amount of any federal deduction allowed pursuant to IRC §250(a)(1)(A) to the extent such amount was deducted in computing your federal taxable income reported on line 1.
- g) For taxable years beginning on or after January 1, 2022, the amount of any gain excluded from federal gross income for the taxable year pursuant to IRC §1400Z-2(a)(1)(A) because it is invested in a qualified opportunity zone must be added back. See Ad. Code section 11-602(8)(b)(22).

**LINES 9a, 9b AND 9c - INCOME FROM SUBSIDIARY CAPITAL**

Enter on line 9a, Column E, dividends from subsidiary capital that was included as part of federal taxable income. Complete Schedule C.

Enter on line 9b, Column E, interest from subsidiary capital that was included in federal taxable income.

Enter on line 9c, Column E, capital gains and other income and gain from subsidiary capital that was included as part of federal taxable income. Complete Schedule C.

Do not enter on line 9b interest for which the payor subsidiary claimed a deduction. (See instructions for Schedule B, lines 3 and 4, above for the definition of subsidiary capital.)

**LINE 10 - NONSUBSIDIARY DIVIDENDS**

Enter 50% of dividends received from non-subsubsidiary corporations. Do not include the following: (1) “gross-up” dividends pursuant to IRS Section 78, and (2) dividends from stocks not meeting the holding period requirement set forth in IRC Section 246(c).

**LINE 11 - NET OPERATING LOSS**

Note that pursuant to the federal Tax Cuts and

Jobs Act of 2017, net operating losses generated during or after 2018 generally may no longer be carried back. These losses may be carried forward indefinitely; however each year’s deduction will be limited to 80% of federal taxable income (without regard to the deduction).

Taxpayers claiming a deduction for a Net Operating Loss must now complete the form NYC-NOLD-GCT, Net Operating Loss Deduction Computation. Attach a copy of the completed Form NYC-NOLD-GCT.

Enter New York City net operating loss carry-forward from prior years. The following rules apply to net operating losses.

- 1) A deduction may only be claimed for net operating losses sustained in taxable years during all or part of which the corporation was subject to the General Corporation Tax. New York City allows net operating losses to be used in the same manner as provided by IRC Section 172. However, the amount of any federal loss must be adjusted in accordance with Section 11-602.8(f) of the Admin. Code. Regulated investment companies and real estate investment trusts do not qualify for this deduction.
- 2) The deduction of a net operating loss carryforward from prior years may not exceed, and is limited to, the amount of the current year’s federal taxable income. A net operating loss may not be claimed as a deduction if Schedule B, line 1 reflects a loss.
- 3) The deduction shall not exceed the deduction that would have been allowed if the taxpayer had not made an election to be an S corporation under the rules of the Internal Revenue Code or had not elected to be included in a group reporting on a consolidated basis for federal income tax purposes.
- 4) The New York City net operating loss deduction taken for City purposes for each year may not exceed the deduction allowable for that year for federal income tax purposes calculated as if the taxpayer had elected to relinquish the carryback period except with respect to the first \$10,000 of each year’s loss. The carryback period for General Corporation Tax purposes corresponds to the federal carryback period. If the taxpayer elects to use a 2-year carryback period for federal purposes, the same carryback period applies for City purposes. If the taxpayer elects to relinquish the entire carryback period for federal purposes, then the taxpayer may not carry back any amount for City purposes. Losses incurred

during taxable years beginning after December 31, 2017, may not be carried back.

- 5) Losses which are not permitted to be carried back may generally be carried forward and used to offset income for the period permitted for federal tax purposes, generally, 20 years subsequent to the loss year for losses incurred in taxable years beginning after August 5, 1997. Losses incurred during taxable years beginning after December 31, 2017, can be carried forward indefinitely for federal purposes.
- 6) The deduction for losses incurred during taxable years beginning after December 31, 2017, is limited to 80% of federal taxable income calculated as if the corporation had not made the election pursuant to subchapter S of the IRC (without regard to the deduction).
- 7) Corporations principally engaged in the conduct of an aviation, steamboat, ferry or navigation business or two or more of such businesses are permitted to claim a net operating loss deduction in the same manner as other corporations.

These corporations are allowed to carry forward any net operating losses or a proportionate part of a net operating loss sustained during the federal taxable period(s) covering the years 1985 through 1988, provided the corporation was taxable under Title 11, Chapter 6, Subchapter 4 of the Admin. Code (Transportation Corporation Tax) for the calendar years 1985 through and including 1988. The net operating loss must be computed as if:

- a) the corporation had been subject to taxation under Subchapter 2 (General Corporation Tax) during the period(s) the loss was sustained,
- b) the loss was sustained in 1988, and
- c) the taxpayer had elected to relinquish the entire carryback period under IRC Section 172.

For special rules relating to acquisitions, mergers or consolidations involving corporations principally engaged in the conduct of aviation, steamboat, ferry or navigation business, refer to Section 77b of Chapter 241 of the Laws of 1989.

- 8) Corporations reporting both business and investment income must complete line 21 of this schedule to apportion any net operating loss between business income and investment income.

**LINE 12 - PROPERTY ACQUIRED PRIOR TO 1966**

A deduction is allowed with respect to gain from the sale or other disposition of any property acquired prior to January 1, 1966 (except stock in trade, inventory, property held primarily for sale to customers in the ordinary course of trade or business, or accounts or notes receivable acquired in the ordinary course of trade or business). The amount of the deduction with respect to each such property is equal to the difference between:

- a) the amount of the taxpayer's federal taxable income; and
- b) the amount of the taxpayer's federal taxable income (if smaller than the amount described in (a)), computed as if the federal adjusted basis of each such property (on the sale or other disposition of which gain was realized) on the date of the sale or other disposition had been equal to either:
  - 1) its fair market value on January 1, 1966, or the date of its sale or other disposition prior to January 1, 1966, plus or minus all adjustments to basis made with respect to such property for federal income tax purposes for periods on or after January 1, 1966; or
  - 2) the amount realized from its sale or other disposition, whichever is lower.

In no event, however, shall the total amount computed above exceed the taxpayer's net gain for the year from the sale or other disposition of property (other than stock in trade, inventory, property held primarily for sale to customers in the ordinary course of trade or business, or accounts or notes receivable acquired in the ordinary course of trade or business). *Attach a rider showing computation and a copy of federal Form 1120-S, Schedule D.*

**LINE 13 - CITY AND STATE REFUNDS**

Enter on line 13, in the appropriate columns, refunds or credits of the New York City General Corporation Tax, New York State Franchise Tax or New York City or State Banking Corporation Tax for which no tax exclusion or deduction was allowed in determining the taxpayer's taxable (entire) net income in a prior year.

**LINE 14 - FEDERAL JOBS CREDIT**

Enter the portion of wages and salaries paid or incurred for the taxable year for which a deduction is not allowed pursuant to the provisions of Section 280C of the Internal Revenue Code. Attach federal Form 5884 or any other applicable federal form.

**LINE 15 - DEPRECIATION ADJUSTMENT**

Enter on line 15, in the appropriate columns, the adjustments from Form NYC-399 and/or Form NYC-399Z, Schedule C, line 8, Column B. See instructions for Schedule B, line 6(c).

**LINE 16a - CONTRIBUTIONS OF CAPITAL BY GOVERNMENTAL ENTITIES OR CIVIC GROUPS**

Enter on line 16a the amount, if any, of contributions to capital received from a governmental entity or civic group, within the meaning of IRC §118(b)(2).

**LINE 16b - OTHER DEDUCTIONS**

- a) Refer to instructions to Schedule B, line 7 for adjustments relating to safe harbor leases.
- b) Taxpayers entitled to a special deduction for construction, reconstruction, erection or improvement of air pollution control facilities initiated on or after January 1, 1966, and having a situs in NYC in accordance with Section 11-602.8(g) should submit a rider showing the complete computation. Enclose certification of compliance issued pursuant to Section 17-0707 or Section 19-0309 of the Environmental Conservation Law. Entire net income for the current year and all succeeding years must be computed without any deduction for such expenditures or for depreciation of such property.
- c) Deduct foreign dividend gross-up pursuant to Section 78 of the IRC to the extent not deducted at line 9a. Entire net income does not include any amount treated as dividends pursuant to Section 78 of the IRC.
- d) Regulated investment companies must deduct dividends paid to stockholders on this line.
- e) The amount of any gain included in entire net income pursuant to Ad. Code section 11-602(8)(b)(22) in a previous tax year that is included in federal gross income in the current tax year should be subtracted. See Ad. Code section 11-602(8)(a)(15).
- f) The amount of any federal deduction disallowed by IRC section 280E, for business expenses incurred by taxpayers authorized by the New York Cannabis Law to engage in the sale, distribution, or production of adult-use cannabis products or medical cannabis.

**LINE 18 – ENTIRE NET INCOME**

If line 17 is greater than line 8 so that the amount on this line would be a loss, enter zero (“0”) on this line, skip lines 21 through 25b, and enter zero (“0”) on line 26 and on line 1 of Schedule A. That loss may be available as a carryover. See instructions to Schedule B, line 11 for more information.

**LINE 19 - SPECIAL ADJUSTMENTS**

If the amount on line 18 is not correct, enter the correct amount on line 19 and explain in a rider. If, as a result of the adjustments on this line, entire net income is a loss, enter zero (“0”) on this line, skip lines 21 through 25b, and enter zero on line 26 and line 1 of Schedule A.

- a) If you are, either separately or as a member of a partnership, doing insurance business as a member of the New York Insurance Exchange described in Section 6201 of the Insurance Law, make the adjustment required under Section 11-602.8(a)(6) and Section 11-602.8(b)(8) of the Admin. Code.
- b) For tax years beginning on or after August 1, 2002, corporations that are partners in partnerships that receive at least eighty percent of their gross receipts from providing mobile telecommunications services must exclude their distributive share of income, gains, losses and deductions from any such partnership, including their share of separately reported items, from their federal taxable income reported on line 1.

**LINE 20 - INVESTMENT INCOME**

Investment income includes: 50% of dividends from non-subsidiary stocks held for investment, interest from investment capital, net capital gain or loss from sales or exchanges of nonsubsidiary securities held for investment, and income from cash if an election is made to treat cash as investment capital on line 3 of Schedule D. Do not include any “gross-up” dividends pursuant to Section 78 of the IRC that have been deducted in computing entire net income.

Investment income includes interest received on a loan to a subsidiary if the subsidiary claims such interest as an NYC General or Banking Corporation Tax deduction on any return for any period, and if such loan is evidenced by a bond or other corporate security. Do not include any capital loss which was not used in computing federal taxable income.

In computing investment income, subtract the amount of deductions allowable in computing entire net income which are directly or indirectly attributable to investment capital or investment income.

**LINE 20a - DIVIDENDS**

Enter dividends not excluded on line 10 except for “gross-up” dividends pursuant to Section 78 of the IRC. This includes 50% of dividends from nonsubsidiary corporations for which an exclusion was allowed on line 10 of this schedule and 100% of dividends from stock not meeting the holding period requirement set forth in Section 246(c) of the IRC.

**LINE 20d - INCOME FROM CASH**

Enter income from cash on Schedule B, line 20d, only if you have elected to treat cash as investment capital and have entered the amount thereof on Schedule D, line 3.

**LINE 20f - DEDUCTIONS ATTRIBUTABLE TO INVESTMENT INCOME**

For more information, see Statement of Audit Procedure GCT-2008-04, Noninterest Expense Attribution, April 9, 2008, and Statement of Audit Procedure PP-2008-12, GCT & UBT Treatment of Repurchase Agreements and Securities Lending and Borrowing Transactions for Financial Services Firms Regularly Engaged in Such Activities, March 31, 2008, available on the Department’s website at [nyc.gov/finance](http://nyc.gov/finance). Attach a list of the deductions directly attributable to investment income and the deductions indirectly attributable to investment income.

**LINE 21 - APPORTIONED NEW YORK CITY NET OPERATING LOSS DEDUCTION**

Corporations that report both business and investment income must apportion any net operating loss deduction on line 11 between business income and investment income. This is computed by multiplying the net operating loss deduction by a ratio. The ratio is a fraction, the numerator of which consists of investment income before deducting any net operating loss and the denominator of which is entire net income before deducting any net operating loss. The ratio may be expressed as a percentage. Multiply the net operating loss deduction by the result. **Attach a copy of Form NYC-NOLD-GCT, Net Operating Loss Deduction Computation.**

**LINE 22b – COMBINED INVESTMENT INCOME TO BE ALLOCATED**

Enter the amount from line 22a. If the amount on line 22a is greater than the amount on line 18 or 19, enter the amount from line 18 or 19. If the entry on line 22a is a loss, enter zero (“0”) on line 22b.

If the investment allocation percentage is zero, interest on bank accounts must be multiplied by the business allocation percentage.

**LINE 25b**

If the amount on line 25a is not correct, enter the correct amount on line 25b and explain in rider.

**SCHEDULE C**

*(Subsidiary Capital)*

- and -

**SCHEDULE D**

*(Investment Capital and Investment Allocation Percentage)*

Complete Schedule C if you have any subsidiaries. (Refer to the instructions for Schedule B, lines 3 and 4 for the definition of a subsidiary and subsidiary capital.)

If the tax period reported on this return is less than 12 months multiply the amount on Schedule C, line 4, Column E by a fraction, the numerator of which is the number of months or major parts thereof included in such period and the denominator of which is twelve.

Complete Schedule D if you have investment capital. Investment capital is the average value of your investments in stocks, bonds, and other corporate or government securities, less liabilities, both long term and short term, directly or indirectly attributable to investment capital. Investment capital does not include those stocks, bonds or other securities that are held for sale to customers in the regular course of business or that constitute subsidiary capital. Investment capital does not include interests in, or obligations of, partnerships or other unincorporated entities. (Refer to Title 19 Rules of the City of New York Section 11-37 for the definition of investment capital.)

To determine the value of your assets for business, investment and subsidiary capital purposes, you must include real property and marketable securities at fair market value.

The fair market value of any asset is the price (without any encumbrance, whether or not the taxpayer is liable) at which a willing seller, not compelled to sell, will sell and a willing purchaser, not compelled to buy, will buy. The fair market value, on any date, of stocks, bonds and other securities regularly dealt in on an exchange, or in the over-the-counter market, is the mean between the highest and lowest selling prices on that date.

The value of all other property must be included at the value shown on the taxpayer’s books and records in accordance with generally accepted accounting principles (GAAP). (Refer to the instructions for Schedule E, lines 1 through 5 for more information on computing average value.)

In completing Schedules C and D of Form

NYC-3A/ATT, you may use the worksheet which appears below to determine the amount of liabilities indirectly attributable to a particular asset.

In column D of Schedules C and D of Form NYC-3A/ATT on the line for the asset in question, include the sum of the amount from line 15 of this worksheet and the amount of liabilities directly attributable to that asset.

**WORKSHEET**

Total liabilities from the appropriate column on NYC-3A or NYC-3A/B, Sch. E, line 6 1. \_\_\_\_\_

Liabilities directly attributable to:

Subsidiary capital 2. \_\_\_\_\_

Investment capital 3. \_\_\_\_\_

Business capital 4. \_\_\_\_\_

Add: lines 2, 3, and 4 5. \_\_\_\_\_

Subtract line 5 from line 1 6. \_\_\_\_\_

Enter amount from either: NYC-3A/ATT, Sch. C, line 1, col. C less amount from line 2 of worksheet 7a. \_\_\_\_\_

**OR**

NYC-3A/ATT, Sch. D, line 1, col. C less amount from line 3 of worksheet 7b. \_\_\_\_\_

Adjusted total assets from the appropriate column on NYC-3A or NYC-3A/B, Sch. E, line 5 less amount from line 5 of worksheet 8. \_\_\_\_\_

Divide: line 7a or 7b by line 8 9. \_\_\_\_\_%

Multiply line 6 by line 9 10. \_\_\_\_\_

Average value of a particular asset 11. \_\_\_\_\_

Enter amount from either: NYC-3A/ATT, Sch. C, line 1, col. C 12a. \_\_\_\_\_

**OR**

NYC-3A/ATT, Sch. D, line 1, col. C 12b. \_\_\_\_\_

Divide: line 11 by line 12a or 12b 13. \_\_\_\_\_%

Enter amount from line 10 14. \_\_\_\_\_

Multiply: line 14 by line 13 15. \_\_\_\_\_

To determine the portion of subsidiary or investment capital to be allocated within the City, multiply the amount of subsidiary or investment capital during the period covered by the return by the issuer's allocation percentage (as defined in the instructions for Schedule E, line 15).

This percentage may be obtained (1) from tax service publications, (2) from the Department's website under "Forms & Publications" at [nyc.gov/finance](http://nyc.gov/finance), or (3) by calling 311. If calling from outside of the five NYC boroughs, please call 212-NEW-YORK (212-639-9675). If the subsidiary or other issuer was not doing business in New York City during the preceding year, the percentage is zero. The investment allocation percentage should be rounded to the nearest one hundredth of a percentage point.

**SCHEDULE D, LINE 6 - CASH**

If you have both business and investment capital, you may elect to treat cash on hand or on deposit as either business or investment capital. If you wish to elect to treat cash as investment capital, you must include it on this line. Otherwise, you will be deemed to have elected to treat cash as business capital. You may not elect to treat part of such cash as business capital and part as investment capital. You may not revoke your election after it has been made.

**SCHEDULE E  
(Total Capital)**

**LINES 1 THROUGH 5 - AVERAGE VALUE OF TOTAL ASSETS**

To determine the value of your assets for business, investment and subsidiary capital purposes, you must include real property and marketable securities at fair market value.

The value of all other property must be included at the value shown on the taxpayer's books and records in accordance with generally accepted accounting principles (GAAP).

Use lines 2, 3 and 4 to adjust the value of the assets reported and use the average value. Average value is generally computed on a quarterly basis. A more frequent basis (monthly, weekly or daily) may be used. Where the taxpayer's usual accounting practice does not permit computation of average value on a quarterly or more frequent basis, a semiannual or annual basis may be used if no distortion of average value results.

**With respect to real property owned by the taxpayer and located within New York City, the fair market value is presumed to be not less than the estimated market value of the property on the Final Assessment**

**Roll of the City for the period covered by the return or the most recent sales price, whichever is greater.**

**LINE 6 - TOTAL LIABILITIES**

The liabilities deductible in computing each type of capital are those liabilities (both long and short term) that are directly or indirectly attributable to each type of capital. Use the same method of averaging as is used in determining average value of assets.

**LINES 7 THROUGH 11**

If the period covered by this report is other than a period of twelve calendar months, first follow the instructions on Schedule E to calculate preliminary amounts for lines 7 through 11. Before entering these amounts on Schedule E, multiply each amount by a fraction, the numerator of which is the number of months or major parts thereof included in such period and the denominator of which is twelve.

If the amount on line 8, Column E is less than zero because liabilities attributable to subsidiary capital exceed the value of the assets reported in Schedule C, add the absolute amount of the amount on line 8, Column E to the amount on line 7, Column E and enter the total on line 9, Column E. For example, if the amount on Schedule E, line 8, Column E is (\$100) and the amount on Schedule E, line 7, Column E is \$200, the amount on Schedule E, line 9, Column E should be \$300.

If the amount on Schedule D, line 7 is less than zero, enter zero ("0") on lines 10 and 12 of this Schedule E. If the amount on line 9 is less than zero or if the amount on line 10 is larger than the amount on line 9, so that the amount on line 11 would be negative, then enter zero ("0") on lines 11 and 13.

**LINES 12 THROUGH 14**

If the tax period reported on this return is less than 12 months and allocated capital has been separately prorated for the corporations included in this combined report, do not prorate allocated capital again. See instructions for this Schedule E, lines 7 through 11 for more information and for information on calculating business and investment capital for the corporations included in this combined report.

**LINE 15 - ISSUERS ALLOCATION PERCENTAGE**

Enter on line 15, the amount from line 14 plus the amount from Schedule C, line 4, Column E divided by the amount from Schedule E, line 7, column E rounded to the nearest one hundredth of a percentage point. Do not calculate your issuer's allocation percentage by adding the business, investment and sub-

sidary capital allocation percentages and dividing that total by the number of percentages. The issuer's allocation percentage cannot be less than zero.

**SCHEDULE F - (SALARIES AND COMPENSATION OF CERTAIN STOCK-HOLDERS)**

Include all stockholders owning in excess of 5% of taxpayer's issued capital stock who received any compensation, including commissions.

**SCHEDULE G – (Business Location Information) (Form NYC-3A-ATT only).**

All taxpayers must complete Schedule G, Part 1 and Part 2, regardless of allocation. Enter the amount of total Rent from Part 1 on NYC 3-A, Schedule A, line 28.

Rent includes consideration paid for the use or occupancy of premises as well as payments made to or on behalf of a landlord for taxes, charges, insurance or other expenses normally payable by the landlord other than for the improvement, repair or maintenance of the tenant's premises.

**SCHEDULE H (Business Allocation Percentage)**

**Note:** Zip codes beginning with the following three-digits are within the five boroughs of New York City:

Manhattan	100, 101, 102
Bronx	104
Brooklyn	112
Queens	111, 113, 114, 116
Staten Island	103

In addition, the five-digit zip codes 11004, 11005 and some addresses with a zip code of 11001, 11040 and 11096 are in the borough of Queens. If the zip code is 11001, 11040 or 11096, consult the address translator located on the City's website <http://a030-goat.nyc.gov/goat/Default.aspx> to determine if the corporation's address is within New York City.

A corporation is entitled to allocate part of its business income and capital outside New York City if it carries on business both inside and outside New York City and, for taxable years beginning before July 1, 1996, only if it has a "regular place of business" outside the City. Otherwise, 100% of its business income and capital must be allocated to New York City. If you did not carry on business both inside and outside New York City, you must enter 100% at Schedule H, line 7. If you carried on business both inside and outside New York City, you must complete Schedule H, business allo-

cation percentage. Aviation corporations and corporations operating vessels qualified to file a combined return with similar corporations, do not complete Schedule H. See instructions on page 15.

For taxable years beginning in or after 2018, the business allocation percentage is generally computed using a single business receipts factor.

**ALTERNATIVE ALLOCATION METHOD**

You cannot use an allocation method other than the formula basis set out in Schedule H without the consent of the Department of Finance. In order to request consent to use a different method of allocation, a written request, separate and apart from filing this return, must be submitted. For details on how to make such a request, go to [www.nyc.gov/finance](http://www.nyc.gov/finance). If the consent to use a different allocation method has not been obtained at the time of the filing of the return, you must use the formula basis set out in Schedule H and pay the tax in accordance therewith. If the Department consents to your proposed alternative allocation method and it results in a lower tax liability than the formula basis set out in Schedule H, you may be entitled to claim a refund of the excess amount you have paid.

**Receipts Factor**

**LINES 1a AND 1b - SALES OF TANGIBLE PERSONAL PROPERTY**

Enter on line 1a, receipts in the regular course of business from the sale of tangible personal property where shipments are made to points within New York City. Enter on line 1b, receipts from all sales of tangible personal property.

**LINES 2a and 2b- SERVICES PERFORMED**

Receipts from services performed within New York City are allocable to New York City. All amounts received by the taxpayer in payment for such services are allocable to New York City regardless of whether the services were performed by employees or agents of the taxpayer, by subcontractors, or by any other persons. It is immaterial where such amounts were payable or where they actually were received.

Commissions received by the taxpayer are allocated to New York City if the services for which the commissions were paid were performed in New York City. If the taxpayer's services for which commissions were paid were performed for the taxpayer by salesmen attached to or working out of a New York City office of the taxpayer, the taxpayer's services will be deemed to have been performed in New York City.

Corporations engaged in publishing newspapers or periodicals must allocate receipts from advertising in such publications based on the circulation of the publication in the City compared to the total circulation. Corporations engaged in radio or television broadcasting, whether by cable or other means, must allocate receipts from broadcasting programs or commercial messages based upon the location of the audience for the broadcasts in the City compared to the total audience. For taxable years beginning on or after January 1, 2002, corporations engaged in publishing newspapers or periodicals or in radio or television broadcasting must allocate receipts from subscriptions to such newspapers, periodicals and broadcast programs based on the location of the subscriber.

Taxpayers principally engaged in the activity of air freight forwarding acting as principal and like indirect air carriers are required to determine receipts for purposes of the receipts factor arising from the activity from services performed within New York City as follows: 100% of the receipts if both the pick up and delivery associated with the receipts are made in New York City and 50% of the receipts if either the pickup or delivery associated with the receipts is made in the City but not both.

Receipts from management, administration or distribution services provided to a regulated investment company (RIC) must be allocated based upon the percentage of the RIC's shareholders domiciled in New York City. (Attach rider showing computation.)

**SOURCING OF RECEIPTS OF REGISTERED SECURITIES OR COMMODITIES BROKERS OR DEALERS**

For taxable years beginning after 2008, new rules are applicable in determining the sourcing of the receipts of taxpayers which are registered securities or commodities brokers or dealers. The rules below apply for determining whether a receipt is deemed to arise from services performed in New York City by a registered securities or commodities broker or dealer, for purposes of computing the receipts factor of the BAP. See Ad. Code §11-604(3)(a)(10) as added by section 34 of Chapter 201 of the Laws of 2009.

A registered securities or commodities broker or dealer is a broker or dealer who is registered by the Securities and Exchange Commission (SEC) or the Commodities Futures Trading Commission and includes over-the-counter (OTC) derivatives dealers as defined under regulations of the SEC (17 CFR 240.3b-12). The terms securities and commodities have the same meanings as the meanings in IRC sections 475(c)(2) and 475(e)(2).

- **Brokerage commissions** - Brokerage commissions earned from the execution of securities or commodities purchase or sales orders for the accounts of customers are deemed to arise from a service performed in New York City if the customer who is responsible for paying the commissions is located in New York City. See Ad. Code § 11-604(3)(a)(10)(A)(i) as added by section 34 of Chapter 201 of the Laws of 2009.
- **Margin interest** - Margin interest earned on brokerage accounts is deemed to arise from a service performed in New York City if the customer who is responsible for paying the margin interest is located in New York City. See Ad. Code § 11-604(3)(a)(10)(A)(ii) as added by section 34 of Chapter 201 of the Laws of 2009.
- **Account maintenance fees** - Account maintenance fees are deemed to arise from a service performed in New York City if the customer who is responsible for paying the account maintenance fees is located in New York City. See Ad. Code § 11-604(3)(a)(10)(A)(vi) as added by section 34 of Chapter 201 of the Laws of 2009.
- **Income from principal transactions** - Gross income from principal transactions (that is, transactions in which the registered broker or dealer is acting as principal for its own account, rather than as an agent for the customer) is deemed to arise from a service performed in New York City if the production credits for these transactions are awarded to a New York City branch, office, or employee of the taxpayer.

Registered broker dealers may elect to source the gross income from principal transactions based on the location of the customer to the principal transaction. If the election is made, gross income from principal transactions is deemed to arise from a service performed in New York City to the extent that the gross proceeds from the transactions are generated from sales of securities or commodities to customers within the city based upon the mailing addresses of those customers in the records of the taxpayer. See Ad. Code § 11-604(3)(a)(10)(A)(iii) as added by section 34 of Chapter 201 of the Laws of 2009.

- **Fees from advisory services for the underwriting of securities** - Fees earned from advisory services for a customer in connection with the underwriting of securities (where the customer is the entity contemplating the issuance of the securities or

is issuing securities) or for the management of an underwriting of securities are deemed to arise from a service performed in New York City if the customer responsible for paying the fee is located in New York City. See Ad. Code § 11-604(3)(a)(10)(A)(iv)(I) as added by section 34 of Chapter 201 of the Laws of 2009.

- **Receipts from the primary spread for the underwriting of securities** - Receipts from the primary spread or selling concession from underwritten securities are deemed to arise from a service performed in New York City if production credits are awarded to a branch, office, or employee of the taxpayer in New York City as a result of the sale of underwritten securities. See Ad. Code § 11-604(3)(a)(10)(A)(iv)(II) as added by section 34 of Chapter 201 of the Laws of 2009.
- **Interest earned on loans to affiliates** - Interest earned on loans and advances made by a taxpayer to an affiliate with whom they are not required or permitted to file a combined return are deemed to arise from a service performed in New York City if the principal place of business of the affiliate who is responsible for the payment of interest is located in New York City. See Ad. Code § 11-604(3)(a)(10)(A)(v) as added by section 34 of Chapter 201 of the Laws of 2009.
- **Fees for management or advisory services** - Fees earned from management or advisory services, including fees from advisory services for activities relating to mergers or acquisition activities, are deemed to arise from a service performed in New York City if the customer responsible for paying these fees is located in New York City. See Ad. Code § 11-604(3)(a)(10)(A)(vii) as added by section 34 of Chapter 201 of the Laws of 2009.

A customer is located in New York City if the mailing address of the customer, as it appears in the broker's or dealer's records, is in New York City. See Ad. Code § 11-604(3)(a)(2)(B)(v) as added by section 33 of Chapter 201 of the Laws of 2009.

If the taxpayer is unable from its records to determine the mailing address of the customer, the receipts enumerated in any of such items shall be deemed to arise from services performed at the branch or office of the taxpayer that generates the transaction for the customer that generated such receipts. See Ad Code § 11-604(3)(a)(10)(D) as added by section 34 of Chapter 201 of the Laws of 2009.

Note that the rules for the receipts under Ad.

Code § 11-604(3)(a)(10)(A) described above shall also apply to receipts described herein arising from a correspondent securities relationship. See Ad. Code § 11-604(3)(a)(10)(C) as added by section 34 of Chapter 201 of the Laws of 2009.

**LINE 2a and 3b - RENTALS OF PROPERTY**

Receipts from rentals of real and personal property situated in New York City are allocable to New York City. These include all amounts received by the taxpayer for the use or occupation of property, whether or not such property is owned by the taxpayer.

**LINES 4a and 4b - ROYALTIES**

Royalties from the use in New York City of patents or copyrights are allocable to New York City. These include all amounts received by the taxpayer for the use of patents or copyrights, whether or not the patents or copyrights were originally issued to or are owned by the taxpayer. A patent or copyright is used in New York City to the extent that activities there under are carried on in New York City.

**LINES 5a and 5b - OTHER BUSINESS RECEIPTS**

All other business receipts earned by the taxpayer within New York City are allocable to New York City. Business receipts are not considered to have been earned by the taxpayer in New York City solely by reason of the fact that they were payable in New York City or actually were received in New York City. Receipts from sales of capital assets (property not held by the taxpayer for sale to customers in the regular course of business) are not business receipts.

The following are also business receipts and are allocable to New York City.

- receipts from the sale of real property held by the taxpayer as a dealer for sale to customers in the regular course of business, provided the real property was situated in New York City
- receipts from sales of intangible personal property included in business capital held by the taxpayer as a dealer for sale to customers in the regular course of business, provided the sales were made in New York City or through a regular place of business in New York City

**LINE 7 - BUSINESS ALLOCATION PERCENTAGE**

Divide line 6a, column E by line 6b, column E, round the result to the nearest hundredth of a percent.

Aviation corporations may only file a combined return with other aviation corporations which allocate in the same manner. Similarly, corporations operating vessels may only file a combined return with other corporations operating vessels which allocate in the same manner. These combined filers must compute their business allocation percentage using a separate schedule. For aviation corporations, this schedule must aggregate the applicable allocation factors (aircraft arrivals and departures; revenue tons; and originating revenue) for both New York City and everywhere. For corporations operating vessels this schedule must aggregate the number of working days the vessel was in New York City territorial waters and everywhere.

## SCHEDULE M

### LINE 1 - NUMBER OF SUBSIDIARIES INCLUDED IN THE COMBINED GROUP

Enter the number of subsidiaries in the combined group.

### LINES 1a to 1g

Enter the number of taxable subsidiaries with NYC Receipts and multiply by the amount shown. A subsidiary is any corporation other than the reporting corporation. For NYC Receipts, each subsidiary should use the amount on Form 3A/B, Schedule H, Line 6a in the column for that subsidiary. If there is only one subsidiary, use the amount entered on Form 3A, Schedule H, Line 6a (Column B) for the NYC Receipts for that subsidiary.

### LINE 2

Add lines 1ab through 1gb.

### ADDITIONAL REQUIRED INFORMATION

All questions must be answered. For purposes of these questions, the term "member corporation" shall mean a corporation that is a member of the combined group of corporations included in this Combined General Corporation Tax Return (the "Combined Group").

### QUESTION 1

In reporting the "NYC principal business activity," give the one activity that accounts for the largest percentage of total receipts for the Combined Group. Total receipts means gross receipts plus all other income. State the broad field of business activity as well as the specific product or service (e.g., mining copper, manufacturing cotton broad woven fabric, wholesale meat, retail men's apparel, export or import chemicals, real estate rental, or real estate operation of motel).

### QUESTION 10

If you answer "yes" to question 9, attach a separate sheet providing street address, borough, block and lot number of such property. If you answer "yes" to question b, c or d, complete questions 11 and 12. The term "owning corporation" means the member corporation which owns the real property.

A controlling interest in the case of a corporation means:

- 50% or more of the total combined voting power of all classes of stock of such corporation, or
- 50% or more of the total fair market value of all classes of stock of such corporation.

### QUESTION 13

If you answer "yes" to question 13, no portion of the income, gain, loss, deduction or capital of a QSSS is permitted to be included in a separate report filed by the S corporation parent. The QSSS must either: 1) be included in the Combined Group as a separate member corporation or 2) file a separate General Corporation Tax return. See Finance Memorandum 99-3. Note that to be included in the Combined Group, the QSSS would have to be required to be included or to be permitted to be included and to have elected such inclusion.

### AFFILIATIONS SCHEDULE

List names and addresses of all affiliated corporations, including those not included in this combined report, their federal Employer Identification Number, if any, and principal business activity. In addition, list the NAICS code and stock holdings at the beginning of the year. An affiliated corporation for purposes of completing the schedule is a corporation that satisfies the stock ownership or control requirements set forth in Section A, "Related Corporation," on page 2 of these instructions, without regard to any limitation that may otherwise exclude the corporation from the combined report.

### 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.