
**THE CITY OF NEW YORK
DEPARTMENT OF FINANCE
DIVISION OF TAX POLICY AND DATA ANALYTICS**

**STATISTICAL PROFILES OF
NEW YORK CITY
BUSINESS INCOME TAXES**

**BUSINESS CORPORATION TAX
GENERAL CORPORATION TAX
UNINCORPORATED BUSINESS TAX**

TAX YEAR 2018

ERIC ADAMS, MAYOR

PRESTON NIBLACK, COMMISSIONER

**STATISTICAL PROFILES OF
NEW YORK CITY
BUSINESS INCOME TAXES**

**BUSINESS CORPORATION TAX
GENERAL CORPORATION TAX
UNINCORPORATED BUSINESS TAX**

TAX YEAR 2018



**ERIC ADAMS
MAYOR**

**PRESTON NIBLACK
COMMISSIONER**

**REPORT PREPARED BY THE
DIVISION OF TAX POLICY AND DATA ANALYTICS
APRIL 2022**

Table of Contents

Highlights	1
Business Income Taxes	3-6
Figure 1: Distribution of Taxpayers and Liability by Industry	4
Table 1: Distribution by Industry.....	5
Table 2: Distribution by Liability per Return	6
Business Corporation Tax	7-18
Figure 2: Distribution of Taxpayers and Liability by Industry	8
Table 3: Distribution by Industry.....	9
Table 4: Distribution by Liability per Return	11
Table 5: Top Ten Percent and Top One Percent of Taxpayers by Industry.....	12
Table 6: Distribution by Tax Base.....	13
Table 7: Distribution by Tax Base and Industry.....	14
Table 8: Distribution by Form Type.....	15
Table 9: Distribution by Form Type and Liability per Return	16
Table 10: Distribution by Allocation Status and Industry	17
Table 11: Distribution by Tax Rate and Industry	18
General Corporation Tax	19-29
Figure 3: Distribution of Taxpayers and Liability by Industry	20
Table 12: Distribution by Industry.....	21
Table 13: Distribution by Liability per Return	23
Table 14: Top Ten Percent and Top One Percent of Taxpayers by Industry.....	24
Table 15: Distribution by Tax Base.....	25
Table 16: Distribution by Tax Base and Industry.....	26
Table 17: Distribution by Form Type.....	27
Table 18: Distribution by Form Type and Liability per Return	28
Table 19: Distribution by Allocation Status and Industry	29
Unincorporated Business Tax (Partnerships)	30-36
Figure 4: Distribution of Taxpayers and Liability by Industry	31
Table 20: Distribution by Industry.....	32
Table 21: Distribution by Liability per Return	34
Table 22: Top Ten Percent and Top One Percent of Taxpayers by Industry.....	35
Table 23: Distribution by Allocation Status and Industry	36
Unincorporated Business Tax (Proprietorships)	37-43
Figure 5: Distribution of Taxpayers and Liability by Industry	38
Table 24: Distribution by Industry.....	39
Table 25: Distribution by Liability per Return	41
Table 26: Top Ten Percent and Top One Percent of Taxpayers by Industry.....	42
Table 27: Distribution by Allocation Status and Industry	43

Appendices	44-56
A. Description of the New York City Business Corporation Tax.....	45
B. Description of the New York City General Corporation Tax.....	48
C. Description of the New York City Unincorporated Business Tax	51
D. Methodology	53
E. Glossary of Industry Sectors	55

Highlights

This report presents statistical information for Tax Year 2018 for three New York City business income taxes: The Business Corporation Tax (COR), the General Corporation Tax (GCT), and the Unincorporated Business Tax (UBT).

The COR, GCT, and UBT generated \$6.49 billion in tax year 2018 liability, an increase of 15 percent from tax year 2017. The number of taxpayers also increased by 3 percent, to 377,320.

- The finance & insurance sector accounted for 35 percent of all tax liability, followed by the service sector (professional/technical/managerial and other services), which generated 31 percent.
- Fifty-four percent of NYC business income taxpayers reported liability of \$300 or less. Fewer than 3 percent of taxpayers, those with liabilities of \$50,000 or more, generated 86 percent of total liability.

Business Corporation Tax

In 2018, the Business Corporation Tax generated \$3.19 billion from 175,138 taxpayers. While the number of taxpayers increased by 4 percent from 2017, total liability increased by 46 percent. City tax base increased significantly due to a surge of federal taxable income caused by the enactment of the Tax Cuts and Jobs Act of 2017.¹

- The finance & insurance sector generated 50 percent of total liability, followed by the service sector with 14 percent and information with 12 percent. The trade sector generated 11 percent.
- The top 10 percent of taxpayers, or 17,514 firms, generated \$3.16 billion, or 99 percent of total liability. The top 1 percent of taxpayers accounted for \$2.97 billion, or 93 percent of total liability.
- About 70 percent of taxpayers paid the minimum tax, while 28 percent incurred liability under the entire net income base and just 1 percent under the capital base. Ninety-four percent of total liability was incurred under the entire net income base.

General Corporation Tax

The General Corporation Tax generated \$1.26 billion from 171,781 taxpayers in 2018. The number of taxpayers increased by 2 percent from 2017, while liability increased by 10 percent.

¹ Department of the Treasury, Internal Revenue Service. *Statistics of Income: Corporation Income Tax Returns Complete Report 2018*, Publication 16 (Rev. 7-2021) Catalogue Number 61538P, p. 2.
<https://www.irs.gov/pub/irs-pdf/p16.pdf>

- The service sector generated 35 percent of total liability, followed by real estate with 24 percent, other with 18 percent, and trade with 13 percent.
- The top 10 percent of taxpayers, or 17,178 firms, generated \$1.06 billion, or 84 percent, of total liability. The top 1 percent of taxpayers accounted for \$626 million, or half of total liability.
- Forty-six percent of taxpayers paid the minimum tax, while 45 percent incurred liability under the entire net income base and 8 percent under the income plus compensation or capital bases. Ninety-three percent of total liability was incurred under the entire net income base.

Unincorporated Business Tax

The Unincorporated Business Tax generated \$2.03 billion in 2018, a 12 percent decrease from the previous year. Partnerships generated \$1.85 billion, an 11 percent decrease from 2017. Proprietorships generated \$185 million in liability, a 17 percent decrease from 2017. There were 14,430 partnership taxpayers and 15,971 proprietorship taxpayers. The number of taxpayers for both partnerships and proprietorships increased by 3 percent from 2017.

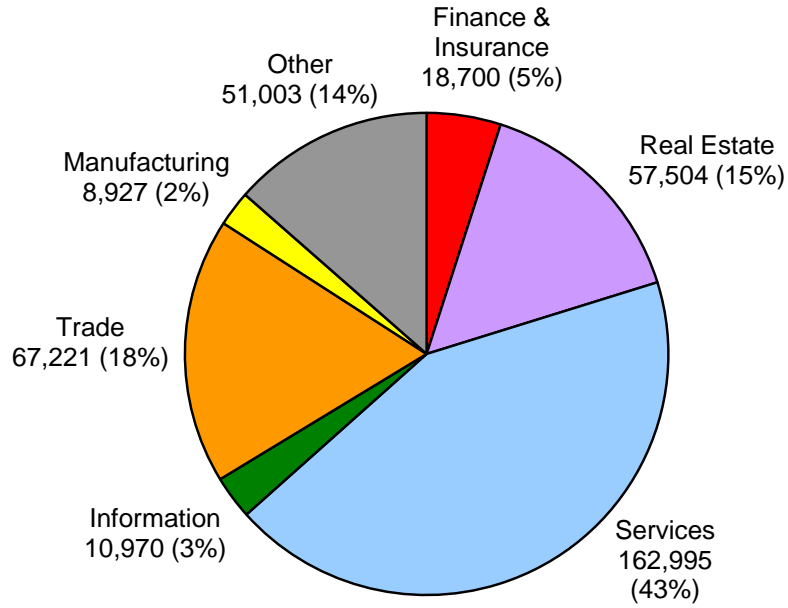
- Among partnerships, legal-sector firms generated 35 percent of total liability followed by finance firms with 33 percent.
- Among proprietorships, service-sector firms (professional/technical/managerial, arts/entertainment/ accommodation/food, other services) accounted for 65 percent of total liability, while legal-sector firms generated 12 percent and finance firms generated 10 percent.
- The top 10 percent of partnership taxpayers, or 1,443 firms, generated \$1.54 billion, or 83 percent, of total partnership liability, and the top 1 percent accounted for 50 percent, or \$920 million, of total partnership liability.
- The proprietorship liability distribution was far less skewed. The top 10 percent generated \$89 million, or 48 percent, of proprietorship liability, while the top 1 percent generated \$36 million, or 19 percent, of total proprietorship liability.

BUSINESS INCOME TAXES

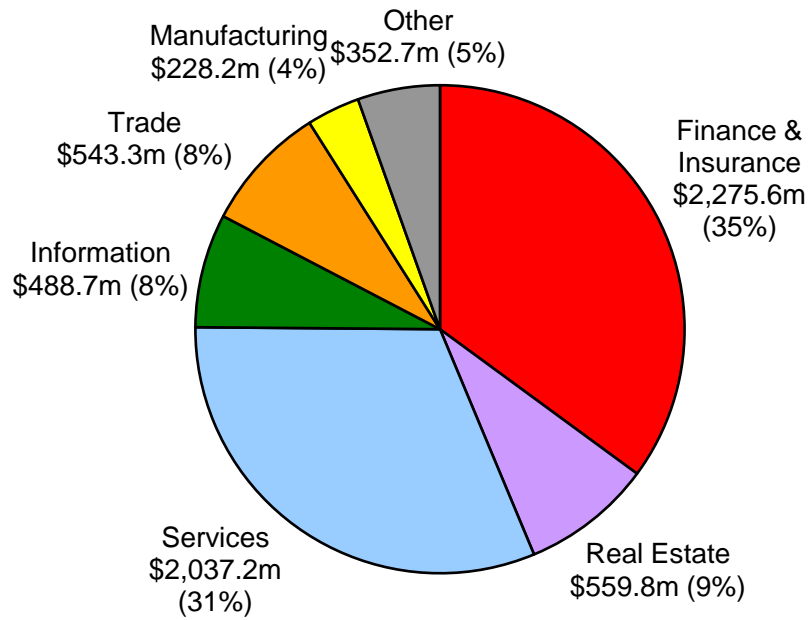
**BUSINESS INCOME TAXES
TAX YEAR 2018**

**Figure 1
DISTRIBUTION OF TAXPAYERS AND LIABILITY BY INDUSTRY**

Total Taxpayers: 377,320



Total Liability: \$6,485.6m



**BUSINESS INCOME TAXES
TAX YEAR 2018**

**Table 1
DISTRIBUTION BY INDUSTRY
(\$ THOUSANDS)**

Industry	Number	% of Total	Liability	% of Total
Finance & Insurance	18,700	5.0 %	\$2,275,569	35.1 %
Real Estate	57,504	15.2	559,840	8.6
Services	162,995	43.2	2,037,213	31.4
Information	10,970	2.9	488,684	7.5
Trade	67,221	17.8	543,279	8.4
Manufacturing	8,927	2.4	228,241	3.5
Other	51,003	13.5	352,747	5.4
TOTAL	377,320	100.0 %	\$6,485,573	100.0 %

**BUSINESS INCOME TAXES
TAX YEAR 2018**

**Table 2
DISTRIBUTION BY LIABILITY PER RETURN**

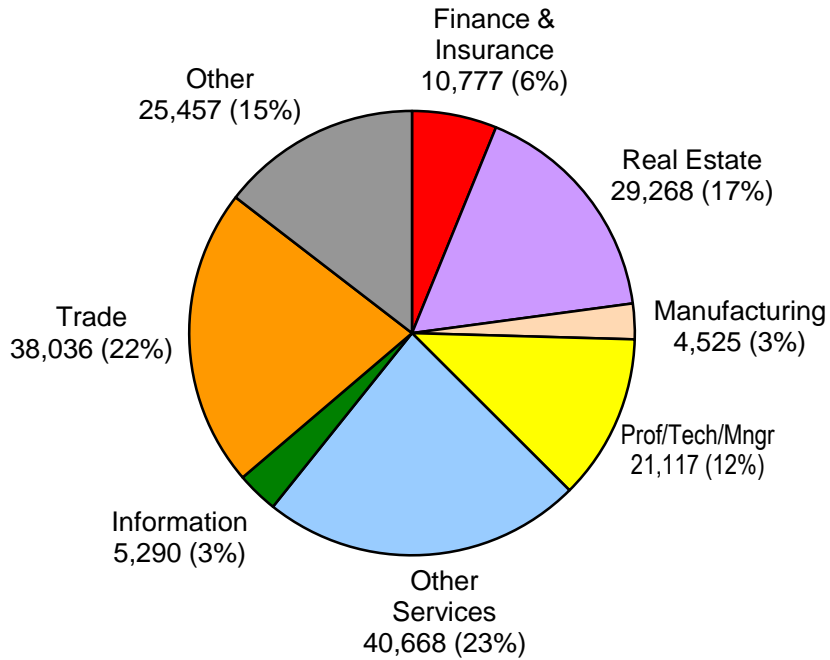
Liability per Return	Number	% of Total	Liability (000)	% of Total
\$300 or Less	203,645	54.0 %	-\$497	0.0 %
\$300 - \$1,000	43,438	11.5	24,748	0.4
\$1,000 - \$5,000	69,493	18.4	162,118	2.5
\$5,000 - \$10,000	23,304	6.2	166,344	2.6
\$10,000 - \$50,000	27,343	7.2	575,852	8.9
\$50,000 - \$500,000	8,600	2.3	1,191,751	18.4
\$500,000 - \$1,000,000	710	0.2	487,853	7.5
More than \$1,000,000	787	0.2	3,877,404	59.8
TOTAL	377,320	100.0 %	\$6,485,573	100.0 %

BUSINESS CORPORATION TAX

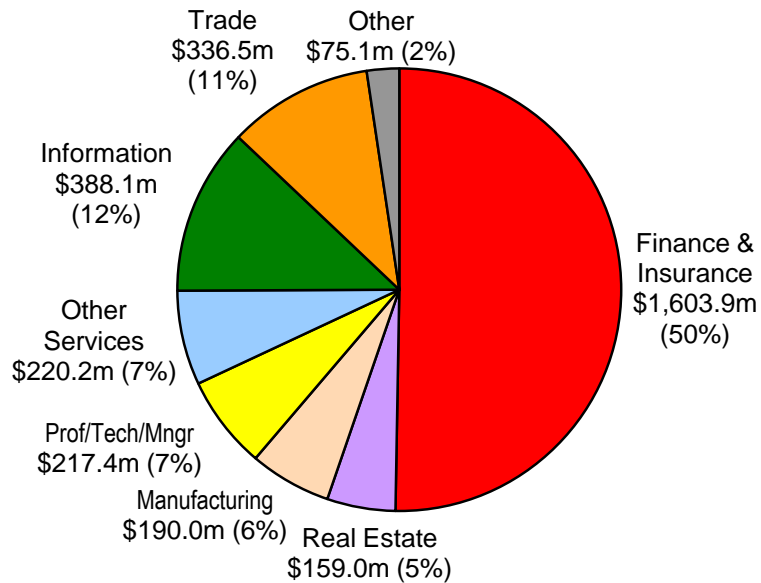
**BUSINESS CORPORATION TAX
TAX YEAR 2018**

**Figure 2
DISTRIBUTION OF TAXPAYERS AND LIABILITY BY INDUSTRY**

Total Taxpayers: 175,138



Total Liability: \$3,190.3m



**BUSINESS CORPORATION TAX
TAX YEAR 2018**

**Table 3
DISTRIBUTION BY INDUSTRY
(\$ THOUSANDS)**

Industry	Number	% of Total	Liability	% of Total
Finance & Insurance	10,777	6.2 %	\$1,603,932	50.3 %
Commercial Banking	232	0.1	802,346	25.1
Other Credit Intermediation & Related Activities	635	0.4	128,411	4.0
Funds and Trusts	3,386	1.9	26,554	0.8
Insurance	1,002	0.6	118,602	3.7
Securities & Commodities	5,522	3.2	528,020	16.6
Real Estate	29,268	16.7	158,997	5.0
Lessors of Non-Residential Property	2,265	1.3	28,032	0.9
Lessors of Residential Property	8,068	4.6	15,121	0.5
Lessors of Other Property	1,196	0.7	4,613	0.1
Property Management	3,651	2.1	22,740	0.7
Agents and Brokers	1,196	0.7	4,447	0.1
Other Real Estate	12,892	7.4	84,044	2.6
Manufacturing	4,525	2.6	190,034	6.0
Computer and Electronics	260	0.1	55,052	1.7
Chemical	289	0.2	16,692	0.5
Food and Beverage	696	0.4	30,343	1.0
Petroleum and Mining	175	0.1	8,091	0.3
Textiles/Apparel/Leather	921	0.5	6,486	0.2
Machinery	426	0.2	41,987	1.3
Fabricated Metal	234	0.1	8,358	0.3
Printing	333	0.2	1,766	0.1
Furniture	201	0.1	2,102	0.1
Other Manufacturing	990	0.6	19,158	0.6
Prof/Tech/Managerial	21,117	12.1	217,407	6.8
Holding Companies	1,796	1.0	9,960	0.3
Legal Services	1,092	0.6	4,604	0.1
Managerial	35	0.0	1,328	0.0
Accounting	1,214	0.7	7,067	0.2
Architectural/Engineering/Design	1,950	1.1	11,724	0.4
Computer-Related	4,039	2.3	84,192	2.6
Management/Science/Technical	2,843	1.6	34,138	1.1
Advertising/Public Relations/Marketing	1,383	0.8	22,059	0.7
Other Prof/Tech/Managerial	6,765	3.9	42,336	1.3

(continued)

**BUSINESS CORPORATION TAX
TAX YEAR 2018**

**Table 3 (continued)
DISTRIBUTION BY INDUSTRY
(\$ THOUSANDS)**

Industry	Number	% of Total	Liability	% of Total
Other Services	40,668	23.2 %	\$220,165	6.9 %
Accommodations & Food	9,784	5.6	78,559	2.5
Administration/Support	4,080	2.3	69,511	2.2
Arts & Entertainment	3,303	1.9	21,823	0.7
Education	1,254	0.7	3,678	0.1
Health Care	3,838	2.2	15,155	0.5
Personal Services	12,356	7.1	7,367	0.2
Civic, Prof., Sports & Similar Organizations	1,003	0.6	1,121	0.0
Rental & Leasing	769	0.4	14,397	0.5
Repair & Maintenance	3,007	1.7	1,920	0.1
Social Services	1,039	0.6	1,023	0.0
Waste Management	187	0.1	5,408	0.2
Miscellaneous Other Services	48	0.0	203	0.0
Information	5,290	3.0	388,121	12.2
Broadcasting/Telecomm	755	0.4	122,284	3.8
Information Services/Data	2,157	1.2	126,023	4.0
Movies/Video/Sound	1,084	0.6	44,877	1.4
Publishing	1,294	0.7	94,938	3.0
Trade	38,036	21.7	336,498	10.5
Durable Wholesale	8,403	4.8	57,181	1.8
Non-Durable Wholesale	6,292	3.6	48,497	1.5
Retail-Clothing and Accessories	2,949	1.7	60,834	1.9
Retail-General Merchandise	746	0.4	39,388	1.2
Retail-Food and Beverage	8,144	4.7	14,703	0.5
Retail-Health and Personal Care	1,750	1.0	40,659	1.3
Retail-Building Maintenance and Gardening	540	0.3	22,999	0.7
Retail-Electronics	964	0.6	4,086	0.1
Retail-Furniture and Furnishings	716	0.4	2,838	0.1
Retail-Motor Vehicles	559	0.3	2,598	0.1
Retail-Other	6,973	4.0	42,715	1.3
Other	25,457	14.5	75,143	2.4
Construction	12,545	7.2	46,671	1.5
Transportation	10,303	5.9	17,252	0.5
Utilities	101	0.1	10,235	0.3
Miscellaneous Other	206	0.1	664	0.0
Not Available	2,302	1.3	321	0.0
TOTAL	175,138	100.0 %	\$3,190,297	100.0 %

**BUSINESS CORPORATION TAX
TAX YEAR 2018**

**Table 4
DISTRIBUTION BY LIABILITY PER RETURN**

Liability per Return	Number	% of Total	Liability (000)	% of Total
\$300 or Less	122,498	69.9 %	\$505	0.0 %
\$300 - \$1,000	19,955	11.4	10,752	0.3
\$1,000 - \$5,000	23,773	13.6	49,736	1.6
\$5,000 - \$10,000	2,730	1.6	19,414	0.6
\$10,000 - \$50,000	3,648	2.1	81,055	2.5
\$50,000 - \$500,000	1,884	1.1	301,093	9.4
\$500,000 - \$1,000,000	248	0.1	171,295	5.4
More than \$1,000,000	402	0.2	2,556,446	80.1
TOTAL	175,138	100.0 %	\$3,190,297	100.0 %

**BUSINESS CORPORATION TAX
TAX YEAR 2018**

**Table 5
TOP TEN PERCENT AND TOP ONE PERCENT OF TAXPAYERS BY INDUSTRY
(\$ THOUSANDS)**

Industry	Top Ten Percent		Top One Percent	
	Number	Liability	Number	Liability
Finance & Insurance	1,956	\$1,602,140	489	\$1,577,735
Real Estate	2,964	152,730	185	120,990
Manufacturing	913	189,761	187	177,524
Prof/Tech/Managerial	2,976	216,892	261	181,854
Other Services	2,811	212,008	180	187,290
Information	789	386,947	114	376,913
Trade	3,399	326,236	241	296,280
Other	1,706	70,046	94	55,624
TOTAL	17,514	\$3,156,760	1,751	\$2,974,211

**BUSINESS CORPORATION TAX
TAX YEAR 2018**

**Table 6
DISTRIBUTION BY TAX BASE
(\$ THOUSANDS)**

Tax Base	Number	% of Total	Liability	% of Total
Net Income	49,580	28.3 %	\$3,011,468	94.4 %
Capital	1,645	0.9	132,297	4.2
Minimum Tax¹	122,062	69.7	37,107	1.2
Not Available	1,851	1.1	9,425	0.3
TOTAL	175,138	100.0 %	\$3,190,297	100.0 %

1. Minimum tax now includes extensions if liability exactly equals one of the fixed minimum amounts.

**BUSINESS CORPORATION TAX
TAX YEAR 2018**

**Table 7
DISTRIBUTION BY TAX BASE AND INDUSTRY
(\$ THOUSANDS)**

Industry	Net Income		Capital		Minimum Tax ¹	
	Number	Liability	Number	Liability	Number	Liability
Finance & Insurance	2,484	\$1,539,465	282	\$58,898	7,967	\$3,254
Real Estate	6,976	118,143	831	30,371	21,245	7,286
Manufacturing	1,606	183,127	43	5,542	2,814	1,065
Prof/Tech/Managerial	6,748	209,051	200	4,696	13,998	2,980
Other Services	12,542	204,575	89	8,455	27,665	6,288
Information	1,412	373,130	91	13,138	3,753	1,599
Trade	9,994	320,831	67	3,689	27,547	10,574
Other	7,818	63,146	42	7,508	17,073	4,062
TOTAL	49,580	\$3,011,468	1,645	\$132,297	122,062	\$37,107

1. Minimum tax now includes extensions if liability exactly equals one of the fixed minimum amounts.

**BUSINESS CORPORATION TAX
TAX YEAR 2018**

**Table 8
DISTRIBUTION BY FORM TYPE
(\$ THOUSANDS)**

Form Type	Number	% of Total	Liability	% of Total
Long Form (NYC-2)	140,544	80.2 %	\$402,324	12.6 %
Combined Form (NYC-2A)	5,539	3.2	2,750,945	86.2
Short Form (NYC-2S)	22,806	13.0	26,194	0.8
Extension	6,249	3.6	10,834	0.3
TOTAL	175,138	100.0 %	\$3,190,297	100.0 %

**BUSINESS CORPORATION TAX
TAX YEAR 2018**

**Table 9
DISTRIBUTION BY FORM TYPE AND LIABILITY PER RETURN**

Liability per Return	Long Form NYC-2		Combined Form NYC-2A		Short Form NYC-2S		Extension	
	Number	Liability (000)	Number	Liability (000)	Number	Liability (000)	Number	Liability (000)
\$300 or Less	99,579	\$1,880	1,032	-\$2,790	17,148	\$1,132	4,739	\$283
\$300 - \$1,000	15,988	8,573	382	232	2,909	1,575	676	372
\$1,000 - \$5,000	19,609	40,404	1,326	3,414	2,164	4,448	674	1,470
\$5,000 - \$10,000	2,014	14,474	377	2,596	285	1,967	54	377
\$10,000 - \$50,000	2,448	53,014	873	21,112	243	5,024	84	1,904
\$50,000 - \$500,000	801	110,580	1,011	180,474	*	*	*	*
\$500,000 - \$1,000,000	70	47,320	175	122,015	*	*	*	*
More than \$1,000,000	35	126,079	363	2,423,892	*	*	*	*
TOTAL	140,544	\$402,324	5,539	\$2,750,945	22,806	\$26,194	6,249	\$10,834

* Numbers cannot be provided due to confidentiality restrictions.

**BUSINESS CORPORATION TAX
TAX YEAR 2018**

**Table 10
DISTRIBUTION BY ALLOCATION STATUS AND INDUSTRY
(\$ THOUSANDS)**

Allocation Status and Industry	Number	% of Total	Liability	% of Total
Multi-jurisdictional	22,023	12.6 %	\$2,985,716	93.6 %
Finance & Insurance	4,253	2.4	1,568,715	49.2
Real Estate	975	0.6	84,993	2.7
Manufacturing	1,484	0.8	187,098	5.9
Prof/Tech/Managerial	5,123	2.9	198,689	6.2
Other Services	2,498	1.4	189,262	5.9
Information	1,730	1.0	385,445	12.1
Trade	4,578	2.6	312,521	9.8
Other	1,382	0.8	58,994	1.8
100% N.Y.C.	146,866	83.9	193,748	6.1
Finance & Insurance	6,389	3.6	32,884	1.0
Real Estate	27,453	15.7	70,671	2.2
Manufacturing	2,874	1.6	2,499	0.1
Prof/Tech/Managerial	15,414	8.8	17,900	0.6
Other Services	36,929	21.1	29,820	0.9
Information	3,405	1.9	2,389	0.1
Trade	31,993	18.3	22,122	0.7
Other	22,409	12.8	15,462	0.5
Not Available	6,249	3.6	10,834	0.3
Finance & Insurance	135	0.1	2,334	0.1
Real Estate	840	0.5	3,333	0.1
Manufacturing	167	0.1	437	0.0
Prof/Tech/Managerial	580	0.3	818	0.0
Other Services	1,241	0.7	1,083	0.0
Information	155	0.1	288	0.0
Trade	1,465	0.8	1,855	0.1
Other	1,666	1.0	687	0.0
TOTAL	175,138	100.0 %	\$3,190,297	100.0 %

See Appendix A for definition of allocation status.

**BUSINESS CORPORATION TAX
TAX YEAR 2018**

**Table 11
DISTRIBUTION BY TAX RATE AND INDUSTRY
(\$ THOUSANDS)**

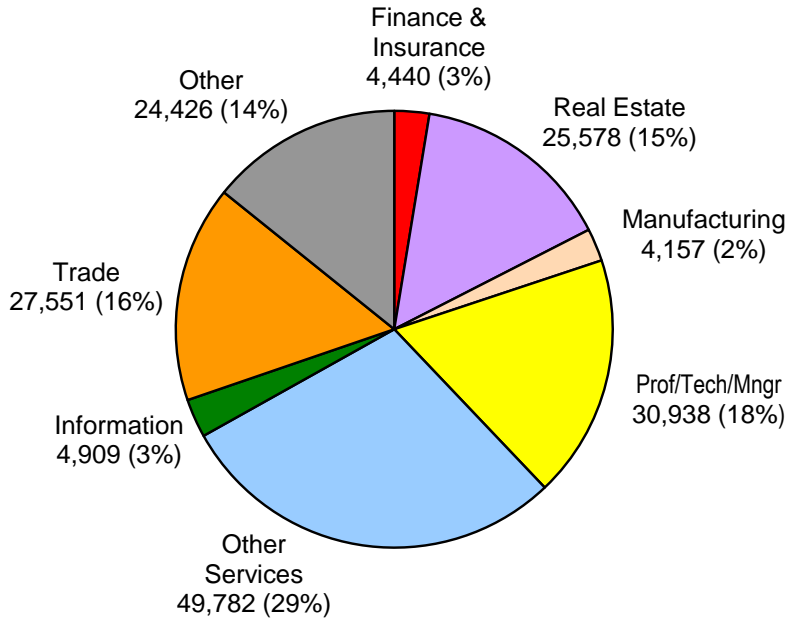
Tax Rate and Industry	Number	% of Total	Liability	% of Total
Taxpayers on the Net Income Tax Base	49,580	28.3 %	\$3,011,468	94.4 %
Between 4.425% and 6.5%	26	0.0	584	0.0
Manufacturing	26	0.0	584	0.0
6.5%	44,830	25.6	81,513	2.6
Finance & Insurance	1,582	0.9	6,177	0.2
Real Estate	6,709	3.8	15,237	0.5
Manufacturing	944	0.5	1,989	0.1
Professional/Technical/Managerial	5,654	3.2	13,175	0.4
Other Services	12,055	6.9	16,113	0.5
Information	1,045	0.6	2,354	0.1
Trade	9,247	5.3	15,505	0.5
Other	7,594	4.3	10,962	0.3
Between 6.5% and 8.85%	588	0.3	17,086	0.5
Finance & Insurance	110	0.1	3,705	0.1
Real Estate	56	0.0	3,250	0.1
Manufacturing	37	0.0	396	0.0
Professional/Technical/Managerial	155	0.1	3,778	0.1
Other Services	54	0.0	1,820	0.1
Information	56	0.0	869	0.0
Trade	89	0.1	1,976	0.1
Other	31	0.0	1,294	0.0
8.85%	4,101	2.3	2,074,497	65.0
Finance & Insurance	757	0.4	691,795	21.7
Real Estate	211	0.1	99,655	3.1
Manufacturing	599	0.3	180,159	5.6
Professional/Technical/Managerial	939	0.5	192,098	6.0
Other Services	433	0.2	186,643	5.9
Information	311	0.2	369,906	11.6
Trade	658	0.4	303,351	9.5
Other	193	0.1	50,890	1.6
9%	35	0.0	837,787	26.3
Finance & Insurance	35	0.0	837,787	26.3
Taxpayers Not on Net Income Tax Base	125,558	71.7	178,830	5.6
Finance & Insurance	8,293	4.7	64,467	2.0
Real Estate	22,292	12.7	40,854	1.3
Manufacturing	2,919	1.7	6,907	0.2
Professional/Technical/Managerial	14,369	8.2	8,356	0.3
Other Services	28,126	16.1	15,590	0.5
Information	3,878	2.2	14,992	0.5
Trade	28,042	16.0	15,666	0.5
Other	17,639	10.1	11,997	0.4
TOTAL	175,138	100.0 %	\$3,190,297	100.0 %

GENERAL CORPORATION TAX

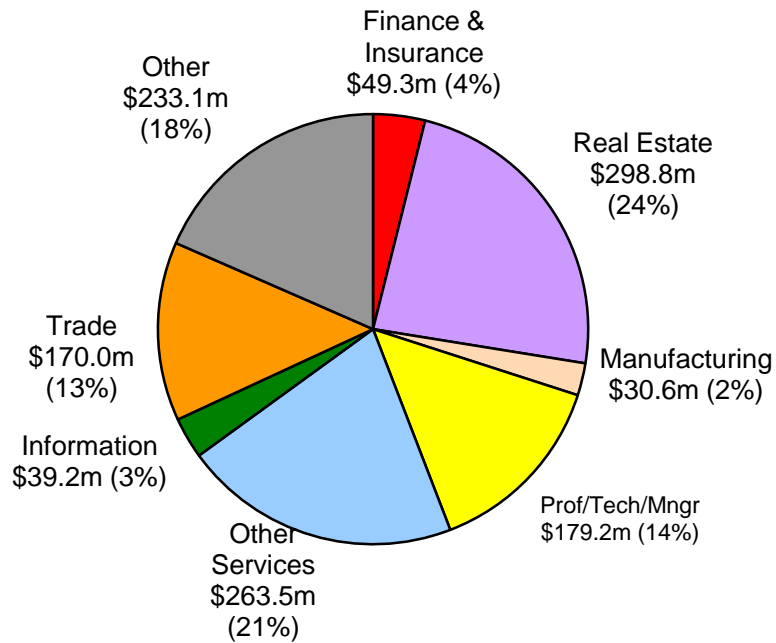
**GENERAL CORPORATION TAX
TAX YEAR 2018**

**Figure 3
DISTRIBUTION OF TAXPAYERS AND LIABILITY BY INDUSTRY**

Total Taxpayers: 171,781



Total Liability: \$1,263.7m



**GENERAL CORPORATION TAX
TAX YEAR 2018**

**Table 12
DISTRIBUTION BY INDUSTRY
(\$ THOUSANDS)**

Industry	Number	% of Total	Liability	% of Total
Finance & Insurance	4,440	2.6 %	\$49,295	3.9 %
Other Credit Intermediation & Related Activities	579	0.3	4,236	0.3
Funds & Trusts	262	0.2	2,599	0.2
Insurance	1,397	0.8	14,618	1.2
Securities & Commodities	2,202	1.3	27,842	2.2
Real Estate	25,578	14.9	298,800	23.6
Lessors of Non-Residential Property	6,004	3.5	105,340	8.3
Lessors of Residential Property	7,583	4.4	101,641	8.0
Lessors of Other Property	1,396	0.8	17,541	1.4
Property Management	2,850	1.7	21,802	1.7
Agents and Brokers	2,638	1.5	15,856	1.3
Other Real Estate	5,107	3.0	36,620	2.9
Manufacturing	4,157	2.4	30,641	2.4
Computer and Electronics	90	0.1	175	0.0
Chemical	97	0.1	436	0.0
Food & Beverage	563	0.3	5,814	0.5
Petroleum and Mining	206	0.1	2,957	0.2
Textiles/Apparel/Leather	946	0.6	2,423	0.2
Machinery	244	0.1	3,751	0.3
Fabricated Metal	363	0.2	5,065	0.4
Printing	420	0.2	1,640	0.1
Furniture	241	0.1	1,328	0.1
Other Manufacturing	987	0.6	7,052	0.6
Prof/Tech/Managerial	30,938	18.0	179,216	14.2
Holding Companies	572	0.3	1,863	0.1
Legal Services	3,861	2.2	45,186	3.6
Accounting	2,127	1.2	6,068	0.5
Architectural/Engineering/Design	4,711	2.7	32,076	2.5
Computer-Related	3,683	2.1	16,316	1.3
Management/Science/Technical	3,341	1.9	14,926	1.2
Advertising/Public Relations/Marketing	2,040	1.2	19,624	1.6
Other Prof/Tech/Managerial	10,603	6.2	43,158	3.4

(continued)

**GENERAL CORPORATION TAX
TAX YEAR 2018**

**Table 12 (continued)
DISTRIBUTION BY INDUSTRY
(\$ THOUSANDS)**

Industry	Number	% of Total	Liability	% of Total
Other Services	49,782	29.0 %	\$263,455	20.8 %
Accommodations & Food	6,769	3.9	33,795	2.7
Administration/Support	4,465	2.6	33,547	2.7
Arts & Entertainment	9,599	5.6	45,566	3.6
Education	1,442	0.8	7,910	0.6
Health Care	13,234	7.7	103,221	8.2
Personal Services	8,964	5.2	21,470	1.7
Civic, Prof., Sports & Similar Organizations	71	0.0	103	0.0
Rental & Leasing	1,103	0.6	4,129	0.3
Repair and Maintenance	2,757	1.6	7,820	0.6
Public Administration & Social Services	1,112	0.6	2,553	0.2
Waste Management	233	0.1	3,285	0.3
Miscellaneous Other Services	33	0.0	56	0.0
Information	4,909	2.9	39,189	3.1
Broadcasting/Telecomm	524	0.3	3,065	0.2
Information Services/Data	1,266	0.7	22,116	1.8
Movies/Video/Sound	2,431	1.4	10,720	0.8
Publishing	688	0.4	3,288	0.3
Trade	27,551	16.0	170,023	13.5
Durable Wholesale	6,200	3.6	41,007	3.2
Non-Durable Wholesale	4,575	2.7	38,420	3.0
Retail-Clothing and Accessories	2,237	1.3	5,991	0.5
Retail-General Merchandise	362	0.2	2,097	0.2
Retail-Food and Beverage	3,960	2.3	18,644	1.5
Retail-Health and Personal Care	2,320	1.4	18,388	1.5
Retail-Building Maintenance and Gardening	535	0.3	5,033	0.4
Retail-Electronics	423	0.2	2,299	0.2
Retail-Furniture and Furnishings	576	0.3	3,705	0.3
Retail-Motor Vehicles	541	0.3	5,893	0.5
Retail-Other	5,822	3.4	28,546	2.3
Other	24,426	14.2	233,075	18.4
Construction	15,107	8.8	210,224	16.6
Transportation	7,784	4.5	21,402	1.7
Utilities	52	0.0	259	0.0
Miscellaneous Other	172	0.1	389	0.0
Not Available	1,311	0.8	800	0.1
TOTAL	171,781	100.0 %	\$1,263,693	100.0 %

**GENERAL CORPORATION TAX
TAX YEAR 2018**

**Table 13
DISTRIBUTION BY LIABILITY PER RETURN**

Liability per Return	Number	% of Total	Liability (000)	% of Total
\$300 or Less	79,953	46.5 %	\$1,479	0.1 %
\$300 - \$1,000	21,615	12.6	12,808	1.0
\$1,000 - \$5,000	40,262	23.4	97,679	7.7
\$5,000 - \$10,000	12,251	7.1	86,635	6.9
\$10,000 - \$50,000	13,873	8.1	289,760	22.9
\$50,000 - \$500,000	3,539	2.1	445,674	35.3
\$500,000 - \$1,000,000	192	0.1	131,268	10.4
More than \$1,000,000	96	0.1	198,390	15.7
TOTAL	171,781	100.0 %	\$1,263,693	100.0 %

**GENERAL CORPORATION TAX
TAX YEAR 2018**

**Table 14
TOP TEN PERCENT AND TOP ONE PERCENT OF TAXPAYERS BY INDUSTRY
(\$ THOUSANDS)**

Industry	Top Ten Percent		Top One Percent	
	Number	Liability	Number	Liability
Finance & Insurance	608	\$45,249	95	\$29,517
Real Estate	3,674	264,510	371	175,416
Manufacturing	426	26,474	50	14,764
Prof/Tech/Managerial	2,899	142,021	215	65,963
Other Services	4,568	202,439	334	89,897
Information	304	33,520	31	26,130
Trade	2,446	137,516	230	73,294
Other	2,253	208,049	392	151,324
TOTAL	17,178	\$1,059,778	1,718	\$626,306

**GENERAL CORPORATION TAX
TAX YEAR 2018**

**Table 15
DISTRIBUTION BY TAX BASE
(\$ THOUSANDS)**

Tax Base	Number	% of Total	Liability	% of Total
Net Income	78,057	45.4 %	\$1,181,336	93.5 %
Income Plus Compensation	8,237	4.8	43,978	3.5
Capital	5,265	3.1	14,698	1.2
Minimum Tax¹	78,752	45.8	18,509	1.5
Not Available	1,470	0.9	5,172	0.4
TOTAL	171,781	100.0 %	\$1,263,693	100.0 %

1. Minimum tax now includes extensions if liability exactly equals one of the fixed minimum amounts.

**GENERAL CORPORATION TAX
TAX YEAR 2018**

**Table 16
DISTRIBUTION BY TAX BASE AND INDUSTRY
(\$ THOUSANDS)**

Industry	Net Income		Income Plus Compensation		Capital		Minimum Tax ¹	
	Number	Liability	Number	Liability	Number	Liability	Number	Liability
Finance & Insurance	1,894	\$44,514	247	\$2,649	228	\$1,699	2,032	\$283
Real Estate	12,498	285,772	324	1,584	2,318	9,361	10,258	1,197
Manufacturing	1,678	29,224	163	439	125	328	2,161	560
Prof/Tech/Managerial	14,783	166,536	2,038	10,618	399	427	13,516	1,228
Other Services	22,674	235,808	3,609	20,122	887	1,062	22,264	5,261
Information	1,883	36,199	263	2,505	93	127	2,633	315
Trade	11,334	158,253	797	2,664	689	1,139	14,500	6,421
Other	11,313	225,029	796	3,396	526	555	11,388	3,244
TOTAL	78,057	\$1,181,336	8,237	\$43,978	5,265	\$14,698	78,752	\$18,509

1. Minimum tax now includes extensions if liability exactly equals one of the fixed minimum amounts.

**GENERAL CORPORATION TAX
TAX YEAR 2018**

**Table 17
DISTRIBUTION BY FORM TYPE
(\$ THOUSANDS)**

Form Type	Number	% of Total	Liability	% of Total
Short Form (NYC-4S EZ)	29,522	17.2 %	\$21,752	1.7 %
Short Form (NYC-4S)	44,508	25.9	331,364	26.2
Long Form (NYC-3L)	93,577	54.5	860,903	68.1
Combined Form (NYC-3A)	270	0.2	44,101	3.5
Extension	3,904	2.3	5,574	0.4
TOTAL	171,781	100.0 %	\$1,263,693	100.0 %

**GENERAL CORPORATION TAX
TAX YEAR 2018**

**Table 18
DISTRIBUTION BY FORM TYPE AND LIABILITY PER RETURN**

Liability per Return	Short Form NYC-4S EZ		Short Form NYC-4S		Long Form NYC-3L		Combined Form NYC-3A		Extension	
	Number	Liability (000)	Number	Liability (000)	Number	Liability (000)	Number	Liability (000)	Number	Liability (000)
\$300 or Less	21,561	\$1,056	14,848	\$1,199	40,573	-\$891	34	-\$30	2,937	\$145
\$300 - \$1,000	3,232	1,946	6,561	3,826	11,437	6,790	12	8	373	238
\$1,000 - \$5,000	3,720	8,878	12,970	31,208	23,124	56,538	47	144	401	911
\$5,000 - \$10,000	763	5,182	4,092	29,098	7,264	51,385	29	209	103	762
\$10,000 - \$50,000	235	3,547	5,064	103,644	8,428	179,453	74	1,692	72	1,424
\$50,000 - \$500,000	11	1,143	919	103,765	2,531	329,162	60	9,511	18	2,094
\$500,000 - \$1,000,000	0	0	*	*	148	102,110	*	*	0	0
More than \$1,000,000	0	0	*	*	72	136,356	*	*	0	0
TOTAL	29,522	\$21,752	44,508	\$331,364	93,577	\$860,903	270	\$44,101	3,904	\$5,574

* Numbers cannot be provided due to confidentiality restrictions.

**GENERAL CORPORATION TAX
TAX YEAR 2018**

**Table 19
DISTRIBUTION BY ALLOCATION STATUS AND INDUSTRY
(\$ THOUSANDS)**

Allocation Status and Industry	Number	% of Total	Liability	% of Total
Multi-jurisdictional	22,738	13.2 %	\$461,002	36.5 %
Finance & Insurance	747	0.4	27,620	2.2
Real Estate	943	0.5	34,401	2.7
Manufacturing	1,177	0.7	20,110	1.6
Prof/Tech/Managerial	5,552	3.2	85,327	6.8
Other Services	5,866	3.4	75,654	6.0
Information	902	0.5	29,019	2.3
Trade	4,518	2.6	78,842	6.2
Other	3,033	1.8	110,030	8.7
100% N.Y.C.	145,139	84.5	797,117	63.1
Finance & Insurance	3,600	2.1	21,521	1.7
Real Estate	24,195	14.1	263,485	20.9
Manufacturing	2,885	1.7	10,424	0.8
Prof/Tech/Managerial	24,808	14.4	93,446	7.4
Other Services	43,009	25.0	186,497	14.8
Information	3,895	2.3	10,125	0.8
Trade	22,427	13.1	89,520	7.1
Other	20,320	11.8	122,097	9.7
Not Available	3,904	2.3	5,574	0.4
Finance & Insurance	93	0.1	153	0.0
Real Estate	440	0.3	914	0.1
Manufacturing	95	0.1	107	0.0
Prof/Tech/Managerial	578	0.3	443	0.0
Other Services	907	0.5	1,304	0.1
Information	112	0.1	44	0.0
Trade	606	0.4	1,661	0.1
Other	1,073	0.6	947	0.1
TOTAL	171,781	100.0 %	\$1,263,693	100.0 %

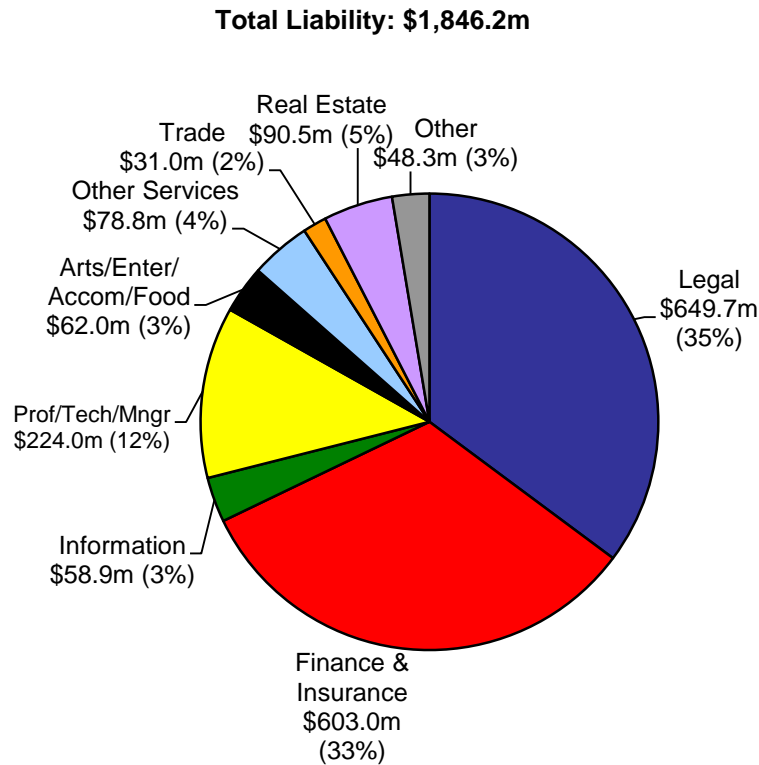
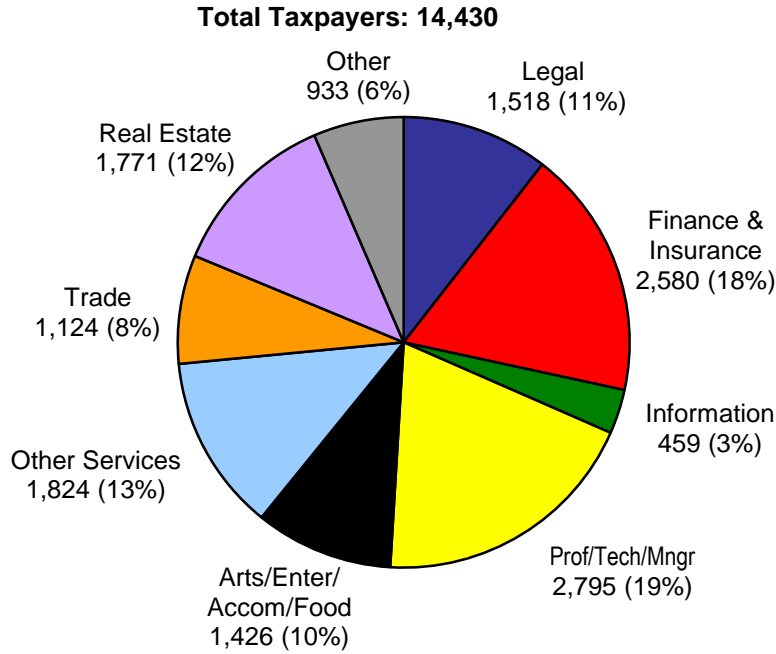
See Appendix B for definition of allocation status.

UNINCORPORATED BUSINESS TAX

PARTNERSHIPS

**UNINCORPORATED BUSINESS TAX
PARTNERSHIP TAXPAYERS
TAX YEAR 2018**

**Figure 4
DISTRIBUTION OF TAXPAYERS AND LIABILITY BY INDUSTRY**



**UNINCORPORATED BUSINESS TAX
PARTNERSHIP TAXPAYERS
TAX YEAR 2018**

**Table 20
DISTRIBUTION BY INDUSTRY
(\$ THOUSANDS)**

Industry	Number	% of Total	Liability	% of Total
Legal	1,518	10.5 %	\$649,665	35.2 %
Finance & Insurance	2,580	17.9	602,978	32.7
Other Credit Intermediation & Related Activities	177	1.2	18,978	1.0
Funds & Trusts	148	1.0	16,654	0.9
Securities & Commodities	2,153	14.9	559,611	30.3
Insurance & Other Finance	102	0.7	7,735	0.4
Information	459	3.2	58,891	3.2
Broadcasting/Telecomm	69	0.5	23,540	1.3
Information Services/Data	153	1.1	28,720	1.6
Movies/Video/Sound	176	1.2	4,381	0.2
Publishing	61	0.4	2,251	0.1
Prof/Tech/Managerial	2,795	19.4	224,017	12.1
Accounting	346	2.4	108,676	5.9
Holding Companies	109	0.8	4,497	0.2
Architectural/Engineering/Design	464	3.2	14,847	0.8
Computer-Related	220	1.5	6,846	0.4
Management/Science/Technical	481	3.3	38,712	2.1
Advertising/Public Relations	422	2.9	19,988	1.1
Other Prof/Tech/Managerial	753	5.2	30,450	1.6
Arts/Enter/Accom/Food	1,426	9.9	61,993	3.4
Accommodations	164	1.1	7,695	0.4
Amusement	83	0.6	4,165	0.2
Food Services	802	5.6	19,339	1.0
Performing Arts	377	2.6	30,795	1.7

(continued)

**UNINCORPORATED BUSINESS TAX
PARTNERSHIP TAXPAYERS
TAX YEAR 2018**

**Table 20 (continued)
DISTRIBUTION BY INDUSTRY
(\$ THOUSANDS)**

Industry	Number	% of Total	Liability	% of Total
Other Services	1,824	12.6 %	\$78,807	4.3 %
Administration/Support	385	2.7	18,124	1.0
Education	92	0.6	2,756	0.1
Health Care	824	5.7	41,927	2.3
Personal Service	345	2.4	6,464	0.4
Rental & Leasing	91	0.6	8,538	0.5
Repair & Maintenance	25	0.2	173	0.0
Social Services	45	0.3	477	0.0
Miscellaneous Other Services	17	0.1	349	0.0
Trade	1,124	7.8	30,979	1.7
Durable Wholesale	259	1.8	5,805	0.3
Non-Durable Wholesale	221	1.5	8,053	0.4
Retail	644	4.5	17,120	0.9
Real Estate	1,771	12.3	90,543	4.9
Lessors of Real Estate	541	3.7	21,920	1.2
Brokers/Managers	499	3.5	13,614	0.7
Other Real Estate	731	5.1	55,009	3.0
Other	933	6.5	48,349	2.6
Construction	597	4.1	28,891	1.6
Manufacturing	196	1.4	7,245	0.4
Miscellaneous Other	140	1.0	12,213	0.7
TOTAL	14,430	100.0 %	\$1,846,222	100.0 %

**UNINCORPORATED BUSINESS TAX
PARTNERSHIP TAXPAYERS
TAX YEAR 2018**

**Table 21
DISTRIBUTION BY LIABILITY PER RETURN**

Liability per Return	Number	% of Total	Liability (000)	% of Total
\$300 or Less	550	3.8 %	-\$2,574	-0.1 %
\$300 - \$1,000	595	4.1	373	0.0
\$1,000 - \$5,000	1,725	12.0	4,664	0.3
\$5,000 - \$10,000	2,891	20.0	21,119	1.1
\$10,000 - \$50,000	5,354	37.1	122,256	6.6
\$50,000 - \$500,000	2,765	19.2	403,335	21.8
\$500,000 - \$1,000,000	265	1.8	182,068	9.9
More than \$1,000,000	285	2.0	1,114,981	60.4
TOTAL	14,430	100.0 %	\$1,846,222	100.0 %

**UNINCORPORATED BUSINESS TAX
PARTNERSHIP TAXPAYERS
TAX YEAR 2018**

**Table 22
TOP TEN PERCENT AND TOP ONE PERCENT OF TAXPAYERS BY INDUSTRY
(\$ THOUSANDS)**

Industry	Top Ten Percent		Top One Percent	
	Number	Liability	Number	Liability
Legal	299	\$610,812	63	\$491,207
Finance & Insurance	598	539,297	50	254,929
Information	27	49,753	*	*
Prof/Tech/Managerial	171	166,229	13	97,422
Arts/Enter/Accom/Food	59	35,273	*	*
Other Services	101	38,938	*	*
Trade	30	12,640	*	*
Real Estate	94	55,842	*	*
Other	64	30,300	*	*
TOTAL	1,443	\$1,539,083	144	\$920,154

* Numbers cannot be provided due to confidentiality restrictions.

**UNINCORPORATED BUSINESS TAX
PARTNERSHIP TAXPAYERS
TAX YEAR 2018**

**Table 23
DISTRIBUTION BY ALLOCATION STATUS AND INDUSTRY
(\$ THOUSANDS)**

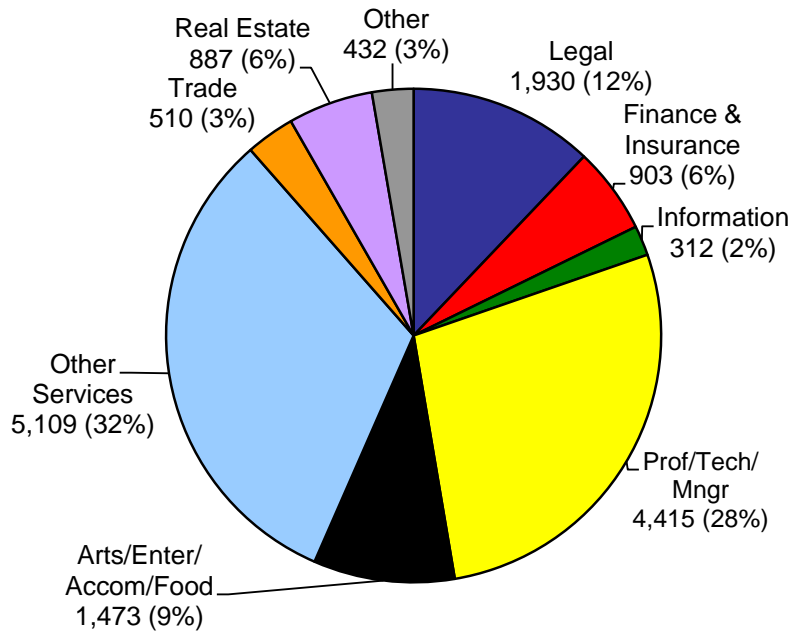
Allocation Status and Industry	Number	% of Total	Liability	% of Total
Multi-jurisdictional	4,291	29.7 %	\$1,309,431	70.9 %
Legal	606	4.2	586,723	31.8
Finance & Insurance	996	6.9	385,752	20.9
Information	196	1.4	52,459	2.8
Prof/Tech/Managerial	1,055	7.3	171,161	9.3
Arts/Enter/Accom/Food	210	1.5	31,891	1.7
Other Services	394	2.7	26,329	1.4
Trade	359	2.5	15,854	0.9
Real Estate	164	1.1	14,575	0.8
Other	311	2.2	24,686	1.3
100% N.Y.C.	9,888	68.5	533,361	28.9
Legal	900	6.2	62,569	3.4
Finance & Insurance	1,561	10.8	217,048	11.8
Information	253	1.8	6,260	0.3
Prof/Tech/Managerial	1,707	11.8	51,934	2.8
Arts/Enter/Accom/Food	1,193	8.3	30,006	1.6
Other Services	1,405	9.7	52,314	2.8
Trade	716	5.0	14,726	0.8
Real Estate	1,568	10.9	74,934	4.1
Other	585	4.1	23,569	1.3
Not Available	251	1.7	3,431	0.2
TOTAL	14,430	100.0 %	\$1,846,222	100.0 %

UNINCORPORATED BUSINESS TAX
PROPRIETORSHIPS

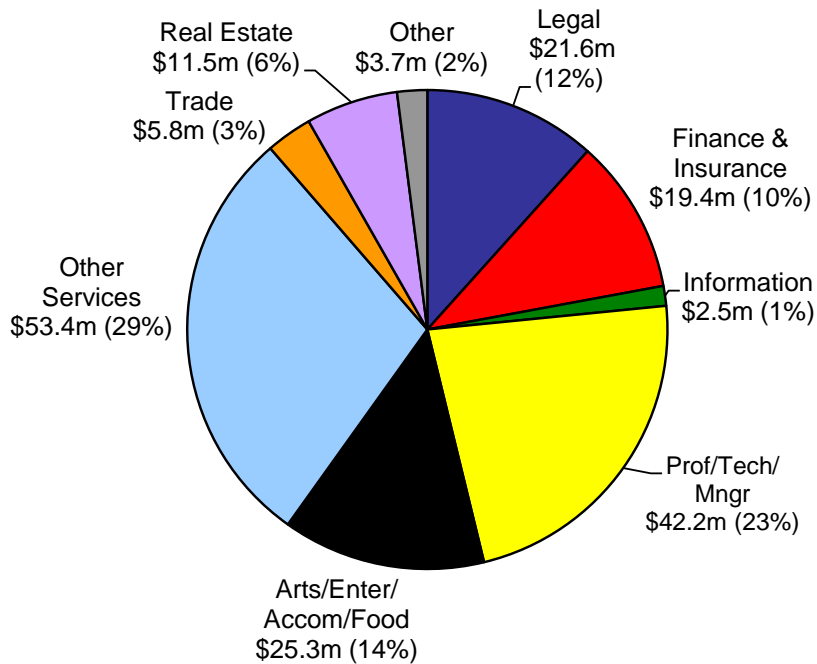
**UNINCORPORATED BUSINESS TAX
PROPRIETORSHIP TAXPAYERS
TAX YEAR 2018**

**Figure 5
DISTRIBUTION OF TAXPAYERS AND LIABILITY BY INDUSTRY**

Total Taxpayers: 15,971



Total Liability: \$185.4m



**UNINCORPORATED BUSINESS TAX
PROPRIETORSHIP TAXPAYERS
TAX YEAR 2018**

**Table 24
DISTRIBUTION BY INDUSTRY
(\$ THOUSANDS)**

Industry	Number	% of Total	Liability	% of Total
Legal	1,930	12.1 %	\$21,563	11.6 %
Finance & Insurance	903	5.7	19,364	10.4
Insurance	207	1.3	2,363	1.3
Securities & Commodities	658	4.1	16,458	8.9
Other Finance	38	0.2	542	0.3
Information	312	2.0	2,482	1.3
Broadcasting/Telecomm	25	0.2	163	0.1
Information Services/Data	78	0.5	554	0.3
Movies/Video/Sound	146	0.9	1,224	0.7
Publishing	63	0.4	542	0.3
Prof/Tech/Managerial	4,415	27.6	42,236	22.8
Accounting	327	2.0	2,411	1.3
Architectural/Engineering/Design	778	4.9	6,928	3.7
Computer-Related	287	1.8	2,147	1.2
Management/Science/Technical	1,015	6.4	11,565	6.2
Advertising/Public Relations	388	2.4	3,739	2.0
Other Prof/Tech/Managerial	1,620	10.1	15,446	8.3
Arts/Enter/Accom/Food	1,473	9.2	25,324	13.7
Accommodations & Food Services	108	0.7	1,091	0.6
Amusement	29	0.2	319	0.2
Performing Arts	1,336	8.4	23,914	12.9

(continued)

**UNINCORPORATED BUSINESS TAX
PROPRIETORSHIP TAXPAYERS
TAX YEAR 2018**

**Table 24 (continued)
DISTRIBUTION BY INDUSTRY
(\$ THOUSANDS)**

Industry	Number	% of Total	Liability	% of Total
Other Services	5,109	32.0 %	\$53,366	28.8 %
Administration/Support	252	1.6	3,487	1.9
Education	165	1.0	1,210	0.7
Health Practitioners	4,069	25.5	43,659	23.6
Other Health Care	83	0.5	984	0.5
Personal Service	391	2.4	2,889	1.6
Repair & Maintenance	20	0.1	195	0.1
Social Services	100	0.6	596	0.3
Miscellaneous Other Services	29	0.2	345	0.2
Trade	510	3.2	5,779	3.1
Durable Wholesale	138	0.9	1,598	0.9
Non-Durable Wholesale	74	0.5	620	0.3
Retail	298	1.9	3,561	1.9
Real Estate	887	5.6	11,501	6.2
Lessors of Real Estate	33	0.2	251	0.1
Brokers/Managers	569	3.6	5,702	3.1
Other Real Estate	285	1.8	5,548	3.0
Other	432	2.7	3,746	2.0
Construction	222	1.4	2,672	1.4
Manufacturing	49	0.3	320	0.2
Transportation & Utilities	40	0.3	263	0.1
Miscellaneous Other & Not Available	121	0.8	490	0.3
TOTAL	15,971	100.0 %	\$185,360	100.0 %

**UNINCORPORATED BUSINESS TAX
PROPRIETORSHIP TAXPAYERS
TAX YEAR 2018**

**Table 25
DISTRIBUTION BY LIABILITY PER RETURN**

Liability per Return	Number	% of Total	Liability (000)	% of Total
\$300 or Less	644	4.0 %	\$94	0.1 %
\$300 - \$1,000	1,273	8.0	814	0.4
\$1,000 - \$5,000	3,733	23.4	10,038	5.4
\$5,000 - \$10,000	5,432	34.0	39,176	21.1
\$10,000 - \$50,000	4,468	28.0	82,781	44.7
More than \$50,000	421	2.6	52,457	28.3
TOTAL	15,971	100.0 %	\$185,360	100.0 %

**UNINCORPORATED BUSINESS TAX
PROPRIETORSHIP TAXPAYERS
TAX YEAR 2018**

**Table 26
TOP TEN PERCENT AND TOP ONE PERCENT OF TAXPAYERS BY INDUSTRY
(\$ THOUSANDS)**

Industry	Top Ten Percent		Top One Percent	
	Number	Liability	Number	Liability
Legal	206	\$8,950	17	\$2,309
Finance & Insurance	179	13,644	26	7,876
Information	18	704	0	0
Prof/Tech/Managerial	340	15,998	31	4,739
Arts/Enter/Accom/Food	203	17,194	36	10,569
Other Services	478	21,655	31	5,336
Trade	51	2,650	*	*
Real Estate	91	6,092	*	*
Other	31	1,712	*	*
TOTAL	1,597	\$88,600	160	\$35,589

* Numbers cannot be provided due to confidentiality restrictions.

**UNINCORPORATED BUSINESS TAX
PROPRIETORSHIP TAXPAYERS
TAX YEAR 2018**

**Table 27
DISTRIBUTION BY ALLOCATION STATUS AND INDUSTRY
(\$ THOUSANDS)**

Allocation Status and Industry	Number	% of Total	Liability	% of Total
Multi-jurisdictional	1,458	9.1 %	\$25,060	13.5 %
Legal	149	0.9	1,450	0.8
Finance & Insurance	124	0.8	4,541	2.4
Information	21	0.1	187	0.1
Prof/Tech/Managerial	445	2.8	5,321	2.9
Arts/Enter/Accom/Food	282	1.8	8,114	4.4
Other Services	310	1.9	3,269	1.8
Trade	49	0.3	719	0.4
Real Estate	29	0.2	427	0.2
Other	49	0.3	1,032	0.6
100% N.Y.C.	14,280	89.4	158,500	85.5
Legal	1,754	11.0	19,774	10.7
Finance & Insurance	767	4.8	14,710	7.9
Information	288	1.8	2,252	1.2
Prof/Tech/Managerial	3,914	24.5	36,566	19.7
Arts/Enter/Accom/Food	1,183	7.4	17,086	9.2
Other Services	4,747	29.7	49,575	26.7
Trade	452	2.8	4,975	2.7
Real Estate	849	5.3	11,017	5.9
Other	326	2.0	2,545	1.4
Not Available	233	1.5	1,801	1.0
TOTAL	15,971	100.0 %	\$185,360	100.0 %

APPENDICES

APPENDIX A

Description of the New York City Business Corporation Tax

The Business Corporation Tax is imposed on all corporations (excluding S corporations), wherever organized, for the privilege of doing business, employing capital, owning or leasing property, or maintaining an office in New York City. Regulated utilities subject to the City Utility Tax are not subject to this tax. Insurance corporations pay no City business income taxes.

Basis and Rate of Tax

The tax is the greatest of the three amounts determined under the following liability calculations:

1. Business income allocated to the City and taxed at the appropriate rate shown below:
 - qualified manufacturing corporations: 4.425% - 8.85% (The tax rate for qualified manufacturing corporations phases out between \$10 and \$20 million of allocated business income and \$20 and \$40 million of business income before allocation.)
 - qualified small businesses: 6.5% - 8.85% (The tax rate for small businesses phases out between \$1 and \$1.5 million of allocated business income and \$2 and \$3 million of business income before allocation.)
 - financial corporations: 9%
 - all other taxpayers: 8.85%
2. Business capital allocated to the City and taxed 0.15% up to a maximum tax of \$10 million. (A \$10,000 reduction applies to all capital tax calculations.)
3. A fixed-dollar minimum tax, which is a graduated amount ranging from \$25 where the taxpayer's City receipts are not over \$100,000 to \$200,000 where City receipts exceed \$1 billion.

A taxpayer's "business income" is its entire net income minus investment income and other exempt income. "Entire net income" means total net income from all sources, and is generally the same as federal taxable income, subject to various statutory modifications. (Real estate investment trusts and regulated investment companies are subject to tax on "real estate investment trust taxable income" or "investment company taxable income," respectively, as defined in the Internal Revenue Code, with certain modifications.) "Investment income" generally means income from stocks of non-unitary corporations held for investment for more than one year that meet certain statutory requirements. "Other exempt income" generally means certain income received from a controlled foreign corporation and certain dividends from unitary corporations.

“Business capital” means all assets, other than investment capital and stock issued by the taxpayer, less liabilities not deducted from investment capital. “Investment capital” generally means stocks of non-unitary corporations held by the taxpayer for investment for more than one year, less liabilities directly or indirectly attributable to investment capital.

Allocation

A corporation is taxed on the City-allocated portion of its business income and business capital. Prior to the enactment of the Business Corporation Tax in 2015, the General Corporation Tax utilized a three-factor business allocation formula, the factors being property, payroll, and receipts. Under legislation adopted in 2009, a 10-year phase-in was adopted to transition from the three-factor formula to a single-factor formula utilizing only receipts. The Business Corporation Tax incorporates the last three years of the phase-in schedule; the single-receipts factor is fully phased-in beginning with the 2018 tax year. However, the Business Corporation Tax allows taxpayers with less than \$50 million of New York City receipts to make a one-time election to use the 2017 allocation percentage weights in tax years beginning after 2017. (The weights are 93% receipts, 3.5% property and 3.5% payroll.) In addition, under the Business Corporation Tax, customer location (typically based on mailing address) is used to determine the source of receipts from the performance of services, and new sourcing rules have been created for allocating income from financial instruments.

Credits

To eliminate multiple taxation of the same income, the Business Corporation Tax allows a credit for corporations that are partners in firms subject to the Unincorporated Business Tax. The credit is based upon the distributing partnership's UBT liability and is applied against the corporate partner's tax liability.

Other credits against the tax are allowed for certain expenses (including real estate tax escalation payments) of taxpayers relocating into the City from outside New York State and creating employment opportunities, and for employment opportunities relocated to targeted areas within the City. Certain biotechnology firms are allowed a credit for qualifying expenditures related to research and development activities. For tax years beginning after 2016, a beer production credit is allowed for beer produced in the City. Due to credits, some taxpayers may have liabilities below the fixed minimum tax.

Combined Reporting

Groups of corporations may be permitted or required to file a combined return if they conduct a unitary business and meet a more-than-50% stock ownership test based on voting power. The stock ownership test is satisfied where one corporation directly or indirectly owns more than 50 percent of the stock of another corporation, or corporations are controlled by a common interest or by related parties through more-than-50% stock ownership. The combined group must include all domestic corporations, alien corporations deemed domestic corporations under the Internal Revenue Code or having effectively connected income, captive REITs and RICs, and combinable captive insurance companies. However, corporations subject to the General Corporation Tax or

Banking Corporation Tax, and regulated utilities subject to the Utility Tax, cannot be included in a combined return under the Business Corporation Tax.

Taxpayers can also make an irrevocable commonly owned group election that requires combined reporting for a 7-year period. Under such an election, the group must include all unitary and non-unitary corporations that could be taxed under the Business Corporation Tax and that meet the more-than-50% stock ownership test. Upon expiration, the election is automatically renewed for an additional 7 years unless the group affirmatively declines to renew. If the election is not renewed, a new election cannot be made for 3 years.

Filing Period

The 2018 tax year includes all reported activity and income over a twelve-month period beginning between January 1, 2018, and December 31, 2018. In 2018, 58 percent of all Business Corporation Tax filers reported on a calendar-year basis. The tax period used under the Business Corporation Tax must conform to the federal tax year.

APPENDIX B

Description of the New York City General Corporation Tax

The New York City General Corporation Tax (GCT) is imposed on subchapter S corporations and qualified subchapter S subsidiaries under the U.S. Internal Revenue Code, wherever organized, for the privilege of doing business, employing capital, owning or leasing property, or maintaining an office in New York City. Corporations that are subject to other special taxes, namely banking institutions and regulated utilities, are not subject to this tax. Insurance corporations pay no City business income taxes.

Basis and Rate of Tax

The tax is the greatest of the four amounts determined under the following liability calculations:

- Entire net income allocated to the City and taxed at 8.85 percent;
- Entire net income, increased by compensation paid to certain shareholders, reduced by a \$40,000 allowance, allocated to the City, multiplied by 15 percent and taxed at 8.85 percent (the “income-plus-compensation” base);²
- Business and investment capital allocated to the City and taxed at 0.15 percent up to a maximum of \$1 million;³
- A fixed minimum tax, which is a graduated amount ranging from \$25 where the taxpayer’s City receipts are not over \$100,000 to \$5,000 where City receipts exceed \$25 million.⁴

In addition, there is a tax of 0.075 percent on subsidiary capital allocated to the City.

“Entire net income” means the taxpayer's federal taxable income, computed without regard to an S corporation election, subject to certain modifications. Real estate investment trusts and regulated investment companies are subject to tax on “real estate investment trust taxable income” or “investment company taxable income,” respectively, as defined in the Internal Revenue Code, with certain modifications.

The income-plus-compensation base includes the total salaries and other compensation paid to every stockholder owning more than 5 percent of the taxpayer’s issued capital stock.

² A taxpayer is exempt from these calculations if its Federal gross income is less than \$250,000, its business allocation percentage is 100 percent, and it has no investment or subsidiary capital.

³ See footnote 1.

⁴ Where a combined return is filed, each taxable subsidiary included in the return must pay the fixed minimum tax.

“Business capital” means all assets, other than subsidiary capital, investment capital, and stock issued by the taxpayer, minus short- and long-term liabilities not deducted from subsidiary or investment capital.

“Investment capital” means investments in corporate and governmental stocks, bonds, and other securities, other than subsidiary capital and stock issued by the taxpayer, minus total liabilities directly or indirectly attributable to investment capital.

“Subsidiary capital” means investments in the stock of subsidiaries and any indebtedness from subsidiaries (other than accounts receivable) on which interest is not claimed and deducted by the subsidiary on a General Corporation Tax or Banking Corporation Tax return, minus total liabilities directly or indirectly attributable to subsidiary capital. A subsidiary is a corporation whose stock is more than 50 percent owned by the taxpayer.

Allocation

A corporation is taxed on the City-allocated portion of its business income and business capital. The City's taxable share of total business income and capital is allocated using the business allocation percentage (BAP), which, before 2009, was based upon the traditional three-factor formula (property, payroll, receipts), with manufacturers having the option of double-weighting their receipts factor. Beginning in tax year 2009, the GCT business allocation formula was revised by phasing in, over a 10-year period, a transition from the three-factor formula to a single-factor formula utilizing only receipts. The single-receipts factor is fully phased-in beginning with the 2018 tax year. Investment income and investment capital are allocated to the City according to the extent of activity within the City of the issuer of the investment; subsidiary capital is allocated based on the extent of the subsidiary's activity within the City. (Income from subsidiary capital is not taxable.)

Credits

To eliminate multiple taxation of the same income, the GCT allows a credit for corporations that are partners in firms subject to the UBT. The credit is based upon the distributing partnership's UBT liability and is applied against the corporate partner's tax liability.

Other credits against the tax are allowed for certain expenses (including real estate tax escalation payments) of taxpayers relocating into the City from outside New York State and creating employment opportunities, and for employment opportunities relocated to targeted areas within the City. Certain biotechnology firms are allowed a credit for qualifying expenditures related to research and development activities. For tax years beginning after 2016, a beer production credit is allowed for beer produced in the City. Due to credits, some taxpayers may have liabilities below the fixed minimum tax.

Combined Reporting

Groups of corporations that are closely linked may be permitted or required to file a combined return. The general requirements for combined filing are as follows: the group must

form a “unitary business,” for example, one in which the goods or services produced or acquired by one member of the group are acquired, used, or sold by other members of the group; 80 percent or more of the stock of the members of the combined group must be directly or indirectly owned by other members of the group, by the parent corporation, or by the same interests; and, filing on a separate basis would distort a corporation’s New York City activities, business, income, or capital. The filing of a combined return is mandatory where there are substantial inter-corporate transactions among the related corporations, regardless of the transfer prices charged in those inter-corporate transactions. In addition, a “captive” regulated investment company or real estate investment trust is required to be included in a combined return where a greater-than-50-percent ownership test is satisfied. When filing a combined return, the group's tax liability is computed by summing information for all members of the group and subtracting inter-corporate transactions.

Filing Period

The 2018 tax year includes all reported activity and income over a twelve-month period beginning between January 1, 2018, and December 31, 2018. In 2018, 95 percent of all GCT filers reported on a calendar-year basis. The tax period used under the GCT must conform to the federal tax year.

APPENDIX C

Description of the New York City Unincorporated Business Tax

The New York City Unincorporated Business Tax (UBT) is imposed on partnerships, individuals, trusts, and estates that carry on or liquidate unincorporated businesses or professions wholly or partly within New York City. The tax also applies to corporations in liquidation. A tax return is required to be filed if the taxpayer's gross income, before any deduction for cost of goods sold or services performed, is greater than \$95,000.

Basis and Rate of Tax

The UBT is imposed at the rate of 4 percent on New York City taxable income. For proprietors, taxable income is based upon net profit from federal form 1040, Schedule C. For partnerships, taxable income is based upon net income from the partnership's federal form 1065. Taxpayers are required to make certain New York City modifications to this income, and the resulting amount is then allocated to New York City if the business is carried on both in and out of the City.

Individuals or unincorporated entities, other than dealers, are not considered to be unincorporated businesses subject to the UBT solely by reason of the purchase or sale of property or stock option contracts for their own account.⁵ Investment partnerships and proprietorships may engage in limited business activity and still retain this self-trading exemption.

Owners, lessees, or fiduciaries that solely hold, lease, or manage real property are also not considered to be engaged in an unincorporated business. By contrast, dealers who hold real property primarily for sale to customers in the ordinary course of business are subject to the tax. Special rules apply to otherwise exempt taxpayers that operate a garage or other incidental business at the property for the benefit of the property's tenants.

Allocation

An unincorporated business is taxed on the City-allocated portion of its business income. Before 2009, total business net income was apportioned in accordance with the traditional three-factor formula based on property, payroll, and receipts, with manufacturers having the option of double-weighting their receipts factor. Beginning in tax year 2009, the formula was revised by phasing in, over a 10-year period, a transition from the three-factor formula to a single-factor formula utilizing only receipts. The single-receipts factor is fully phased-in beginning with the 2018 tax year. Investment income is allocated to the City according to the extent of activity within the City of the issuer of the investment.

⁵ An individual or entity is not disqualified from this exemption if it receives \$25,000 or less from other activities.

Exemptions and Credits

Through a combination of exemptions and credits, no tax is levied on proprietorships with allocated net income of not more than \$100,000 and on partnerships with allocated net income of not more than the sum of \$90,000 plus \$10,000 times the number of active partners. A proprietorship is allowed one exemption of \$5,000 and another exemption of up to \$10,000 as an allowance for proprietor services. A partnership is allowed one \$5,000 exemption and another exemption of up to \$10,000 for each active partner's services. The allowance for services is in lieu of any other deduction for payments to a proprietor or partner for services or use of capital. Both partnerships and proprietorships with tax (after exemptions) of \$3,400 or less (e.g., income after exemptions not greater than \$85,000) receive a full credit and owe no tax. Entities with tax (after exemptions) of more than \$3,400 but less than \$5,400 receive a partial credit.

To eliminate multiple taxation of the same income, the UBT allows a credit for partnerships that are themselves partners in firms subject to the UBT. The partner receiving the distribution may take a UBT credit that is based upon the distributing partnership's UBT liability and is applied against the partner's UBT liability.

Other credits against the tax are allowed for certain expenses (including real estate tax escalation payments) of taxpayers relocating into the City from outside New York State and creating employment opportunities, and for employment opportunities relocated to targeted areas within the City. Certain biotechnology firms are allowed a credit for qualifying expenditures related to research and development activities. For tax years beginning after 2016, a beer production credit is allowed for beer produced in the City. Due to refundable credits, some taxpayers may have net liabilities less than zero.

In addition, to address the double taxation of income under both the PIT and the UBT, partners and proprietors may take a credit against the New York City Personal Income Tax for a portion of their share of UBT paid.

Filing Period

The 2018 tax year includes all reported activity and income over a twelve-month period that began between January 1, 2018, and December 31, 2018. In 2018, 96 percent of UBT filers reported on a calendar-year basis. The tax period used under the UBT must conform to the federal tax year.

APPENDIX D

Methodology

The Business Corporation Tax (COR), General Corporation Tax (GCT), and Unincorporated Business Tax (UBT) data are obtained from tax data files maintained by the Department of Finance for purposes of processing, recording, and monitoring the payment history of individual taxpayers. The Division of Tax Policy and Data Analytics converted these tax files into an aggregate database to analyze various characteristics of the COR, GCT, and UBT. The distributions presented in this report reflect data that are as complete as possible. For tax year 2018, 96 percent of all COR taxpayers had filed annual returns, 98 percent of GCT taxpayers had filed annual returns, and 98 percent of UBT taxpayers had filed annual returns.

Liability and Number

The Finance Department's files contain COR, GCT, and UBT transactions, including declarations of estimated liability, quarterly estimated payments, applications for extensions, and annual returns. Liability was estimated based on either the tax reported on the annual return, or, if no annual return was filed, on the application for an extension. Liability excludes penalty and interest charges and is net of all refundable credits. The number of COR and GCT taxpayers refers to the number of annual returns received, or, if no annual return was filed, the number of applications for an extension received. The number of UBT taxpayers refers to the number of annual returns with liability before credits greater than zero, or, if no annual return was filed, the number of applications for an extension with liability greater than zero. Note the aggregate reported number of taxpayers and tax liabilities may not sum to the total values due to rounding.

Industry

The distributions by industry sector are based upon the NAICS (North American Industry Classification System) code, as reported by taxpayers. Since firms select the one code that best describes their national activity, some multi-jurisdictional firms may use a NAICS code that does not accurately reflect their New York City activity.

In cases where the codes were missing or incorrect, various procedures were employed to identify the correct values. Computer programs assigned codes based upon name and data from other tax years. Unidentified large taxpayers were assigned codes manually. By these means, almost 100 percent of corporate, partnership and proprietorship liability were ultimately identified by industry sector.

The report reflects additional verification of firms reporting as holding companies. Because under the NAICS system the definition of holding company is very broad, some taxpayers reported a holding company code when that code did not best describe the taxpayer's activity.

For UBT taxpayers, the sector groups differ from those commonly employed, in order to highlight the industries that are most significant to the UBT.

Form Type

COR taxpayers use one of three types of annual returns: the NYC-2, NYC-2A, and NYC-2S. Form NYC-2 is used by non-combined firms, other than S corporations, doing business, employing capital, owning, or leasing property or maintaining an office in the City. Non-combined corporations that are a general or limited partner in a partnership that does business, employs capital, owns or leases property, maintains an office, or derives receipts from activity in the City are also required to file NYC-2. Form NYC-2A is used by corporations that meet these same criteria pertaining to business activity in the City but are combined corporations. Form NYC-2S is a short-form version of NYC-2.

GCT taxpayers use one of four types of annual returns: the NYC-3L, NYC-3A, NYC-4S and NYC-4S EZ. The NYC-4S return, or the “short form,” may be used by firms that do not own investment or subsidiary capital, do not have any income that could be allocated outside New York City, and do not take certain deductions or special credits. Taxpayers whose federal gross income is less than \$250,000, whose business allocation percentage is 100 percent, and that have no investment or subsidiary capital, may use the simplified version of the short form, NYC-4S EZ. Corporations eligible to use NYC-4S EZ compute their taxes using only the entire net income base or fixed dollar minimum, whichever is greater, and are not subject to the alternative bases measured by business or investment capital or by entire net income plus compensation paid to certain shareholders. Firms that allocate income outside the City, own investment or subsidiary capital, or use certain deductions or special credits, must use the NYC-3L, or the “long form.” The NYC-3A is used by combined groups of corporations.

UBT taxpayers use one of five types of annual returns: the NYC-204, NYC-204 EZ, NYC-202, NYC-202EIN, and NYC-202S. The NYC-204 is used by partnerships, including syndicates, groups, pools, or other unincorporated organizations. The NYC-204 EZ can be used by partnerships that are required to file an unincorporated business tax return but have: no tax liability; no New York City modifications; all business income allocated to New York City; no credit for unincorporated business tax paid; no partial exemption for investment activities; no investment income; no net operating loss; and unincorporated business gross income, after the allowance for active partners, that is not more than \$90,000. This form may also be used by partnerships that are not required to file but wish to disclaim any liability for tax because they are engaged solely in activities exempt from the tax. The NYC-202 is used by individuals, while the NYC-202EIN is used by estates and trusts. The NYC-202S is a simplified version of the NYC-202 and may be used by individuals who do not allocate business income and have no New York City modifications.

Allocation

Taxpayers were classified as multi-jurisdictional if their business allocation percentage (BAP) was less than 100.

APPENDIX E

Glossary of Industry Sectors

Business Corporation Tax and General Corporation Tax Industries

- **FINANCE AND INSURANCE** - firms engaged in banking, lending, or financing activities; funds and trusts; securities and commodities brokers and dealers, exchanges; insurance agents and brokers; related industries.
- **REAL ESTATE** – lessors of real estate; property management; real estate brokers; related real estate activity.
- **MANUFACTURING** - apparel and textile; food and beverages; printing; machinery; computers and electronics; furniture; chemicals; other manufacturing.
- **PROFESSIONAL/TECHNICAL/MANAGERIAL SERVICES** – computer-related services; architectural, design and engineering services; management, scientific and technical; legal services; advertising, public relations, and marketing; accounting; consulting; veterinary services; holding companies; other professional, technical, and managerial services.
- **OTHER SERVICES** - personal services; accommodations and food services; health care; entertainment, amusement, and recreation; administrative and support services; repair services; education and social assistance; non-realty rental and leasing; miscellaneous other services.
- **INFORMATION** - motion pictures; information services and data processing; publishing; telecommunications; broadcasting.
- **TRADE** - retail and wholesale.
- **OTHER** – construction; transportation; unregulated utilities; agriculture; mining; unknown.

Unincorporated Business Tax Industries

- **LEGAL**
- **FINANCE AND INSURANCE** - firms engaged in banking, lending, or financing activities; funds and trusts; securities and commodities brokers and dealers, exchanges; insurance agents and brokers; related industries.
- **INFORMATION** - motion pictures; information services and data processing; publishing; telecommunications; broadcasting.

- PROFESSIONAL/TECHNICAL/MANAGERIAL SERVICES - computer-related services; architectural, design and engineering services; management, scientific and technical; advertising, public relations, and marketing; accounting; consulting; veterinary services; holding companies (partnerships only); other professional, technical, and managerial services.
- ARTS/ENTERTAINMENT/ACCOMMODATIONS/FOOD SERVICES - performing arts; amusements and recreation (includes museums); accommodations; food services and drinking places.
- OTHER SERVICES – health care; administrative and support services; personal services; non-realty rental and leasing services; education and social assistance; repair services; miscellaneous other services.
- TRADE - retail and wholesale.
- REAL ESTATE – lessors of real estate; property management; real estate brokers and related real estate activity.
- OTHER – construction; manufacturing; transportation and utilities; miscellaneous other and unknown.