



# Instructions for Form CT-33-M

## Insurance Corporation MTA Surcharge Return

Tax Law — Article 33, Section 1505-a

# CT-33-M-I

**Who must file** — If you do business, employ capital, own or lease property, or maintain an office in the Metropolitan Commuter Transportation District (MCTD), you must pay a metropolitan transportation business tax surcharge on business done in the Metropolitan Transportation Authority region (MTA surcharge). The MCTD includes the counties of New York, Bronx, Queens, Kings, Richmond, Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk, and Westchester.

If you file Form CT-33 or Form CT-33-A, use Form CT-33-M to report and pay the MTA surcharge.

Corporations filing on a combined basis are required to file only one return for the combined group. Use combined figures, as shown on your Form CT-33-A, to complete this form.

**Installment payments** — A taxpayer required to pay the MTA surcharge and whose franchise tax is more than \$1,000 must file a declaration of estimated MTA surcharge and make quarterly installment payments on Form CT-400.

**MTA surcharge rate** — The MTA surcharge rate is 17%.

**When and where to file** — If you are a calendar-year filer, check the box in the upper right corner on the front of the form. If you are a fiscal-year filer, complete the beginning and ending tax period boxes in the upper right corner on the front of the form.

File your return within 2½ months after the end of your reporting period. If you are reporting for the calendar year, file your return on or before March 15. If your filing date falls on a Saturday, Sunday, or legal holiday, file your return on or before the next business day.

Mail your return to: **NYS Corporation Tax, Processing Unit, PO Box 22038, Albany NY 12201-2038**. See Form CT-33-I or Form CT-33-A-I for an alternative address if you wish to use a private delivery service. Also mail a copy to: The NYS Insurance Department, Agency Building 1, Empire State Plaza, Albany NY 12257.

**Extension of time for filing MTA surcharge return** — You may request additional time to file Form CT-33-M. To do this, file Form CT-5 or Form CT-5.3 on or before the due date of the return for which you are requesting the extension, and pay the MTA surcharge you estimate to be due.

**Employer identification number, file number, and other identifying information** — For us to process your corporation tax forms, it is important that we have the necessary identifying information. You will find your employer identification number and file number just above your printed corporation name and address. Keep a record of that information and include it on each corporation tax form mailed.

If you use a paid preparer or accounting firm, make sure they use your complete and accurate identifying information when completing all forms.

**Changes in business information** — You must report any changes in your business name, ID number, mailing address, physical address, telephone number, or owner/officer information on Form DTF-95, *Business Tax Account Update*. If

only your address has changed, you may use Form DTF-96, *Report of Address Change for Business Tax Accounts*, to correct your address for this and all other tax types. You can get these forms by fax, phone, or from our Web site. See *Need Help?* on page 4 for the phone number and Web address.

## Specific instructions

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

**Whole dollar amounts** — You may elect to show dollar amounts in whole dollars rather than in dollars and cents. Round an amount from 50 cents through 99 cents to the next higher dollar, and round any amount less than 50 cents to the next lower dollar.

**Percentages** — When computing allocation percentages, convert decimals into percentages by moving the decimal point two spaces to the right. Carry out percentages to four decimal places. For example:  $5,000/7,500 = 0.6666666 = 66.6667\%$ .

**Negative amounts** — Show any negative amounts in parentheses.

**Computation of MCTD allocation percentage** — If you do all of your New York State business within the 12 counties of the MCTD, skip lines 1 through 8 and enter 100% on line 9.

If you do part of your business outside the MCTD, compute your MCTD allocation percentage by completing lines 1 through 8.

Corporations taxable under Article 33 that are filing on a combined basis must use a combined MCTD allocation percentage.

Determine MCTD premiums and MCTD wages using the same principles set out in section 1504(a) and (b) of the Tax Law to determine New York premiums and New York wages, salaries, commissions, and other compensation.

**Line 10** — Section 1505-a of the Tax Law requires that the MTA surcharge be computed using the rates in effect immediately prior to taxable years beginning on or after July 1, 2000. Since certain tax rates have decreased under sections 1505 and 1502(a)(1) for taxable years beginning on or after July 1, 2000, it **may** be necessary to recompute your tax for the purposes of computing the MTA surcharge.

The tax rate for the limitation on tax under section 1505 for nonlife insurance companies in effect immediately prior to taxable years beginning on or after July 1, 2000, was 2.6%. The tax rate for allocated entire net income under 1502(a)(1) in effect immediately prior to taxable years beginning on or after July 1, 2000, was 9%.

The following table of conditions and worksheets will allow you to recompute your tax at the appropriate rate for purposes of computing the MTA surcharge. **Life insurance companies:** find the condition that applies to you, **either Condition 1 or Condition 2. Nonlife insurance companies:** find the condition that applies to you, **either Condition 3 or Condition 4.** Follow the instructions indicated for that condition to determine the amount required to be reported on line 10 of Form CT-33-M.

**Combined filers:** If you are filing a combined return and the combined group is composed exclusively of life insurance companies, find the condition that applies to you, **either Condition 1 or Condition 2.** If the combined group is composed exclusively of nonlife insurance companies, **or** includes both life insurance companies and nonlife insurance companies, you must find the condition that applies to you under **either Condition 3 or Condition 4.** Follow the instructions indicated for that condition to determine the amount required to be reported on line 10 of Form CT-33-M.

Condition	Instructions
<b>Condition 1 - Life insurance companies.</b> The tax on line 2, line 3, or line 4 is larger than the tax on line 1 of Form CT-33 or CT-33-A.	Enter the amount from Form CT-33, line 13, or Form CT-33-A, line 18, on line 10 of Form CT-33-M. Do <b>not</b> complete Worksheets 1 through 3
<b>Condition 2 - Life insurance companies.</b> The tax on line 1 is larger than <b>each</b> of the taxes on line 2, line 3, and line 4 of Form CT-33 or CT-33-A.	Complete Worksheet 2.
<b>Condition 3 - Nonlife insurance companies and combined life and nonlife insurance companies.</b> The tax on line 2, line 3, or line 4 is larger than the tax on line 1 of Form CT-33 or CT-33-A.	Complete Worksheets 1 and 3.
<b>Condition 4 - Nonlife insurance companies and combined life and nonlife insurance companies.</b> The tax on line 1 is larger than <b>each</b> of the taxes on line 2, line 3, and line 4 of Form CT-33 or CT-33-A.	Complete Worksheets 1 and 2.

**Worksheet 1**

**Recomputation of section 1505 limitation on tax for nonlife insurance companies:**

A. Total nonlife insurance company premiums subject to section 1505 tax (enter amount from Form CT-33, line 99, or CT-33-A, line 56, column C) ..... A \_\_\_\_\_

B. "As if" nonlife insurance company limitation tax rate (2.6%) ..... B .026

C. Recomputed limitation on tax (multiply line A by line B) ..... C \_\_\_\_\_

**Worksheet 2**

**Recomputation of tax for life insurance and nonlife insurance companies when franchise tax base is on entire net income:**

D. Allocated entire net income (enter amount from Form CT-33, line 89, or CT-33-A, line 47) ..... D \_\_\_\_\_

E. "As if" entire net income tax rate (9%) ..... E .09

F. Recomputed tax on entire net income (multiply line D by line E) ..... F \_\_\_\_\_

G. Allocated subsidiary capital tax (enter amount from line 5 of Form CT-33, or CT-33-A) ..... G \_\_\_\_\_

H. Total tax on premiums (enter amounts from Form CT-33, lines 6 through 8, or CT-33-A, line 10) ..... H \_\_\_\_\_

I. Combined minimum tax for subsidiaries (Form CT-33 filers enter "0"; Form CT-33-A filers enter the amount from line 11 of that form) ..... I \_\_\_\_\_

J. Total tax before tax credits (add lines F through I) ..... J \_\_\_\_\_

K. Less: EZ or ZEA tax credits claimed (enter amount from Form CT-33, line 9b, or CT-33-A, line 12b) ..... K \_\_\_\_\_

L. Total tax after EZ or ZEA tax credits (subtract line K from line J) ..... L \_\_\_\_\_

M. Life insurance company limitation on tax (enter amount from Form CT-33, line 10a, or CT-33-A, line 13) ..... M \_\_\_\_\_

N. Recomputed nonlife insurance company limitation on tax (enter amount from Worksheet 1, line C if Worksheet 1 is required; otherwise enter "0") ..... N \_\_\_\_\_

O. Applicable limitation (add lines M and N) ..... O \_\_\_\_\_

P. Recomputed New York State franchise tax (enter amount from line L or O, whichever is less) ..... P \_\_\_\_\_

Q. Tax credits (enter amount from Form CT-33, line 12, or CT-33-A, line 17) ..... Q \_\_\_\_\_

R. Net recomputed New York State franchise tax (subtract line Q from line P; enter here and on Form CT-33-M, line 10) ..... R \_\_\_\_\_

**Worksheet 3**

**Recomputation of tax for nonlife insurance companies and combined filers that include both life and nonlife insurance companies, when franchise tax base is not on entire net income:**

S. Total tax after EZ or ZEA tax credits (enter amount from Form CT-33, line 9c, or CT-33-A, line 12c) ..... S \_\_\_\_\_

T. Life insurance company limitation on tax (CT-33 filers enter "0"; CT-33-A filers enter amount from Form CT-33-A, line 13) .... T \_\_\_\_\_

U. Recomputed nonlife insurance company limitation on tax (enter amount from Worksheet 1, line C) ..... U \_\_\_\_\_

V. Applicable limitation (add lines T and U) ..... V \_\_\_\_\_

W. Recomputed New York State franchise tax (enter amount from line S or V, whichever is less) .... W \_\_\_\_\_

X. Tax credits (enter amount from Form CT-33, line 12, or CT-33-A, line 17) ..... X \_\_\_\_\_

Y. Net recomputed New York State franchise tax (subtract line X from line W; enter here and on Form CT-33-M, line 10) ..... Y \_\_\_\_\_

**Line 13** — Insurance corporations organized or domiciled in New York State may claim a credit on this line for 90% of retaliatory taxes paid to other states for the privilege of doing business in those states, resulting from the imposition of the MTA surcharge for the 2001 tax year. Enter the smaller of 90% of retaliatory taxes paid in 2001 attributable to the 2001 MTA surcharge or the amount of MTA surcharge shown on line 12. Attach computation. Enter "0" if you are not claiming a retaliatory tax credit. To claim a refund for retaliatory taxes paid in 2001 as a result of the imposition of the MTA surcharge for previous periods, see lines 29 through 38.

**Line 15b** — If you are an individual taxpayer and did not file Form CT-5, *Request for Six-Month Extension of Time to File*, and your franchise tax exceeds \$1,000, enter either 40% of line 14 if you are a life insurance company, or 25% of line 14 if you are a nonlife insurance company. Your franchise tax can be found on line 13 of Form CT-33.

If you are filing a combined return and did not file Form CT-5.3, your first installment is dependent upon a ratio determined by the amount of the combined group's life insurance premiums and nonlife insurance premiums. If the combined group includes both life and nonlife insurance companies, complete lines AA through II of *Worksheet 4* below. If the combined group is composed exclusively of life insurance companies or exclusively of nonlife insurance companies, complete lines CC through II of *Worksheet 4* below. If the combined group is composed exclusively of life insurance companies, enter 100% on line CC. If the combined group is composed exclusively of nonlife insurance companies, enter 0% on line CC.

**Worksheet 4**

AA. Enter the life insurance company premiums included on line 1 of Form CT-33-M .....	AA _____
BB. Enter the total premiums included on line 1 of Form CT-33-M .....	BB _____
CC. Divide line AA by line BB to arrive at the life insurance percentage .....	CC _____ %
DD. Enter the combined MTA surcharge from line 14 of Form CT-33-M .....	DD _____
EE. Multiply line DD by the life insurance percentage on line CC .....	EE _____
FF. Subtract the amount on line EE from the amount on line DD .....	FF _____
GG. Multiply line EE by 40% (.4) .....	GG _____
HH. Multiply line FF by 25% (.25) .....	HH _____
II. First installment due ( <i>add lines GG and HH; enter on line 15b</i> ) .....	II _____

**Line 17** — Enter any MTA surcharge payment made with Form CT-5. You may compute prepayments on the back of the form and transfer them to this line. Prepayments include any MTA surcharge payment made with Form CT-5 (extension), installment payments of MTA surcharge on Form CT-400, credit carryovers from prior years, and overpayments of franchise tax from Form CT-33 or Form CT-33-A.

**Line 20** — If you do not pay the MTA surcharge on or before the original due date (**without** regard to any extension of time), you must pay interest on the amount of the underpayment from the original due date to the date paid. Exclude from the interest computation any amount shown on line 15a or 15b, first installment of estimated tax for next period.

**Line 21** — Compute additional charges for late filing and late payment on the amount of MTA surcharge required to be shown on the return after deduction of any payment made on or before the due date (**with** regard to any extension of time for filing). Exclude from the penalty computation any amount shown on line 15a or 15b, first installment of estimated tax for next period.

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

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

Note: If you wish, we will compute the interest (line 20) and penalty (line 21) for you. Call the Business Tax Information Center at 1 800 972-1233.

**Line 23** — You may apply all or part of your overpayment to your New York State franchise tax. Indicate on lines 24, 25, and 26 the amount you want applied to your tax and the amount you want refunded.

**Line 28 — Collection of debts from your refund** — We will keep all or part of your refund if you owe a past-due legally enforceable debt to the Internal Revenue Service (IRS) or to a New York State agency. This includes any state department, board, bureau, division, commission, committee, public authority, public benefit corporation, council, office, or other entity performing a governmental or proprietary function for the state or a social services district. We will refund any amount over your debt.

If you have any questions about whether you owe a past-due legally enforceable debt to the IRS or to a state agency, contact the IRS or that particular state agency.

For New York State tax liabilities **only**, call 1 800 835-3554. From areas outside the U.S. and outside Canada, call (518) 485-6800. You can write to NYS Tax Department, Tax Compliance Division, W A Harriman Campus, Albany NY 12227.

**Claim for refund of MTA surcharge retaliatory tax credit**

Insurance corporations organized or domiciled in New York State must use lines 29 through 38 to claim a refund for retaliatory taxes paid to other states as a result of the imposition of the metropolitan transportation business tax (MTA surcharge). The surcharge credit available for a given year may not exceed the MTA surcharge payable for that year as computed under section 1505-a of the Tax Law. The credit is claimed in the year paid, but is attributed to the year in which the retaliatory taxes were imposed or assessed.

Attach a separate sheet to the refund claim, identifying the recipients of the tax and the amount paid to each recipient, broken down to reflect the year to which the taxes are attributable.

A credit cannot be claimed for taxes paid to other states on or after the **limitation date** for each MTA surcharge tax year. The *limitation date* is the first day of the sixth calendar year following the calendar year in which an insurer's MTA surcharge tax year begins. For example, for an MTA surcharge tax year ending December 31, 1993, the limitation date for filing a claim for refund would be January 1, 1999. For a 12-month fiscal MTA surcharge tax year ending November 30, 1994, the limitation date for filing a claim for refund would still be January 1, 1999. For additional information see TSB-M-85(4)C.

**Line 29** — Enter MTA surcharge payable for each year for which you are claiming a credit.

**Line 30** — Enter retaliatory tax credits allowed in prior years that are attributable to the MTA surcharge. Include all credits claimed on Form CT-33-M.

**Lines 32 through 36** — Do not include on these lines any amounts attributable to retaliatory taxes that were previously claimed on Form CT-33-M for any year.

**Line 37** — Enter in the appropriate column, for the correct year, the total MTA surcharge retaliatory tax credits allowed to date. Include any credits previously allowed on Form CT-33-M as well as amounts claimed in Columns A through E on lines 32 through 36.

### Privacy notification

The Commissioner of Taxation and Finance may collect and maintain personal information pursuant to the New York State Tax Law, including but not limited to, sections 171, 171-a, 287, 308, 429, 475, 505, 697, 1096, 1142, and 1415 of that Law; and may require disclosure of social security numbers pursuant to 42 USC 405(c)(2)(C)(i).

This information will be used to determine and administer tax liabilities and, when authorized by law, for certain tax offset and exchange of tax information programs as well as for any other lawful purpose.

Information concerning quarterly wages paid to employees is provided to certain state agencies for purposes of fraud prevention, support enforcement, evaluation of the effectiveness of certain employment and training programs and other purposes authorized by law.

Failure to provide the required information may subject you to civil or criminal penalties, or both, under the Tax Law.

This information is maintained by the Director of the Registration and Data Services Bureau, NYS Tax Department, Building 8, Room 338, W A Harriman Campus, Albany NY 12227; telephone 1 800 225-5829. From areas outside the United States and Canada, call (518) 485-6800.

## Need help?



**Telephone assistance** is available from 8:30 a.m. to 4:25 p.m. (eastern time), Monday through Friday.

**For business tax information**, call the New York State Business Tax Information Center: 1 800 972-1233

**For general information:** 1 800 225-5829

To order forms and publications: 1 800 462-8100

From areas outside the U.S. and outside Canada: (518) 485-6800



**Fax-on-demand forms:** Forms are available 24 hours a day, 7 days a week. 1 800 748-3676



**Internet access:** [www.tax.state.ny.us](http://www.tax.state.ny.us)



### Hotline for the hearing and speech impaired:

1 800 634-2110 from 8:30 a.m. to 4:25 p.m. (eastern time), Monday through Friday. If you do not own a telecommunications device for the deaf (TDD), check with independent living centers or community action programs to find out where machines are available for public use.



**Persons with disabilities:** In compliance with the Americans with Disabilities Act, we will ensure that our lobbies, offices, meeting rooms, and other facilities are accessible to persons with disabilities. If you have questions about special accommodations for persons with disabilities, please call 1 800 225-5829.



### If you need to write, address your letter to:

NYS TAX DEPARTMENT  
TAXPAYER ASSISTANCE BUREAU  
W A HARRIMAN CAMPUS  
ALBANY NY 12227