New York State Department of Taxation and Finance

Claim for QEZE Credit for Real Property Taxes and QEZE Tax Reduction Credit

IT-604

Tax Law — Sections 15 and 16

2004 calendar-year filers, mark an *X* in the box: ☐

Other filers enter tax period:

File this form with your income tax return, Form IT-201, IT-203, IT-204, or IT-205

beginning [   ]   ending [   ]

Name as shown on return	Taxpayer identification number(s) shown on front page of your return
Employer identification number of qualified empire zone enterprize (QEZE) business	Name of empire zone (EZ)
Name of QEZE business	Date of first certification by Empire State Development *(attach a copy of your Certificate of Eligibility)*

Schedule A — Employment test

Part 1 — EZ employment — Computation of employment number within all EZs for the current tax year and the five-year base period. Include employees within all EZs, even if you are not certified in all of those zones *(see instructions)*.

Current tax year employment number	March 31	June 30	September 30	December 31	Total
Number of full-time employees within all EZs					

1 Employment number within all EZs for the current tax year *(see instructions)* .... **1.** [   ]

Base period employment number	March 31	June 30	September 30	December 31	Total
Number in base year one					
Number in base year two					
Number in base year three					
Number in base year four					
Number in base year five					
Total number of full-time employees within all EZs in the base period					

2 Employment number within all EZs in the five-year base period *(see instructions)* .... **2.** [   ]

3 Does the amount on line 1 **equal** or **exceed** line 2? *(see instructions)* .... Yes ☐   No ☐

If the employment number within all EZs for the current year (line 1) does not **equal** or **exceed** the employment number within all EZs in the base period (line 2), **stop.** You are not eligible for the QEZE credits covered by this form.

This is a scannable form; please file this original with the Tax Department.

IT-604   2004

Part 2 — New York State employment outside all EZs — Computation of the employment number inside New York State and outside all EZs (whether or not you are certified in all of those EZs) for the current tax year and the five-year base period *(see instructions).*

Current tax year employment number	March 31	June 30	September 30	December 31	Total
Number of full-time employees inside New York State and outside all EZs					

4 Employment number inside New York State and outside all EZs for the current tax year .... **4.**

Base period employment number	March 31	June 30	September 30	December 31	Total
Number in base year one					
Number in base year two					
Number in base year three					
Number in base year four					
Number in base year five					
Total number of full-time employees inside New York State and outside all EZs in the base period					

5 Employment number inside New York State and outside all EZs in the base period .... **5.**

6 Does the amount on line 4 **equal** or **exceed** the amount on line 5? *(see instructions)* .... Yes ☐   No ☐

If the employment number inside New York State and outside all EZs for the current year (line 4) does not **equal** or **exceed** the employment number inside New York State and outside all EZs in the base period (line 5), **stop.** You are not eligible for the QEZE credits covered by this form.

Schedule B — Computation of employment number within the EZs in which you are certified for the test year

Test year *(mm/yyyy)* _____ to _____	March 31	June 30	September 30	December 31	Total
Number of full-time employees within the EZs					

7 Employment number within the EZs in which you are certified for the test year *(see instructions)* .... **7.**

Schedule C — Employment increase factor *(see instructions)*

8 Employment number within the EZs in which you are certified for the current tax year *(see instructions)* .... **8.**

9 Employment number within the EZ in which you are certified for the test year *(from line 7)* .... **9.**

10 Subtract line 9 from line 8 .... **10.**

11 Divide line 10 by line 9 *(if line 9 is zero and line 8 is greater than zero, enter 1 here)* .... **11.**

12 Divide line 10 by 100 *(round the result to the fourth decimal place)* .... **12.**

13 Employment increase factor *(enter the greater of line 11 or 12, but not more than 1.0)* .... **13.**

Partnerships: Also enter on line 26 and Form IT-204, line 36.
All others: Also enter on lines 26 and 37.

This is a scannable form; please file this original with the Tax Department.   **IT-604   2004**

Schedule D — Zone allocation factor *(see instructions)*

		A EZ		B New York State	
14	Average value of property *(see instructions)*	**14.**		**14.**	
15	EZ property factor *(divide line 14, column A, by line 14, column B; round the result to the fourth decimal place)* ...			**15.**	
16	Wages and other compensation of employees *(except general executive officers)*	**16.**		**16.**	
17	EZ payroll factor *(divide line 16, column A, by line 16, column B; round the result to the fourth decimal place)* ..			**17.**	
18	Total EZ factors *(add lines 15 and 17)*			**18.**	
19	Zone allocation factor *(divide line 18 by two; round the result to the fourth decimal place)*			**19.**	

Partnerships: Enter here and on Form IT-204, line 37.

All others: Enter here and on line 38.

Schedule E — Tax factor

20	Enter your tax from Form IT-201, line 38; Form IT-203, line 36; Form IT-205, line 6 (full-year resident estate or trust), or Form IT-205-A, line 11 (nonresident estate or trust or part-year resident trust)	**20.**	
21	Enter the amount of your income from the QEZE allocated within NYS *(see instructions)*	**21.**	
22	New York adjusted gross income *(see instructions)*	**22.**	
23	Divide line 21 by line 22 *(the result cannot exceed one; round the result to the fourth decimal place)*	**23.**	
24	Multiply line 20 by line 23; this is your tax factor *(enter here and on line 39)*	**24.**	

Schedule F — QEZE credit for real property taxes computation

25	Tax year of the business benefit period [ ] ; benefit period factor *(from table on page 4)*	**25.**	
26	Employment increase factor *(from line 13)*	**26.**	
27	Eligible real property taxes *(see instructions)*	**27.**	
28	Multiply lines 25, 26, and 27	**28.**	
29	Partners, shareholders, and beneficiaries *(see instructions)*	**29.**	
30	QEZE credit for real property taxes *(add lines 28 and 29)*	**30.**	
31	Recapture of QEZE credit for real property taxes *(see instructions)*	**31.**	
32	Net recapture of QEZE credit for real property taxes *(Subtract line 30 from line 31. If line 30 is greater than line 31, skip line 32 and continue on line 33; see instructions.)* .... ▶	**32.**	.
33	QEZE credit for real property taxes after recapture *(subtract line 31 from line 30; see instructions)*	**33.**	
34	Limitation of QEZE credit for real property taxes *(see instructions)*	**34.**	
35	QEZE real property tax credit claimed *(see instructions)* .... ▶	**35.**	.

Fiduciary: Transfer the line 35 amount to the *Total* line of Schedule H, column C.

All others: Transfer the line 35 amount to Form IT-201-ATT, line 77; Form IT-203-B, line 62; or Form IT-204, line 35.

Schedule G — QEZE tax reduction credit computation

36	Tax year of the business benefit period [ ] ; benefit period factor *(from table on page 4)*	**36.**	
37	Employment increase factor *(from line 13)*	**37.**	
38	Zone allocation factor *(from line 19)*	**38.**	
39	Tax factor *(from line 24)*	**39.**	
40	Multiply lines 36, 37, 38, and 39	**40.**	
41	Beneficiaries of estates or trusts share *(see instructions)*	**41.**	
42	QEZE tax reduction credit *(add lines 40 and 41)* .... ▶	**42.**	.

Fiduciary: Transfer the line 42 amount to the *Total* line of Schedule H, column E.

All others: Transfer the line 42 amount to Form IT-201-ATT, line 45, Form IT-203-B, line 31.

Schedule H — Beneficiary's and fiduciary's share of credit

A Beneficiary's name *(same as on Form IT-205, Schedule C)*	B Identifying number	C Share of QEZE credit for real property taxes	D Share of recapture of QEZE credit for real property taxes	E Share of QEZE tax reduction credit
Total				
Fiduciary				

Benefit period factor table*	
Tax year of the benefit period	Benefit period factor
1 - 10	1.0
11	.8
12	.6
13	.4
14	.2
15	0

Find the tax year of your benefit period.

Partnerships: Enter the benefit period factor for that year from the table to the left on line 25 and on Form IT-204, line 38.

All others: Enter the benefit period factor for that year from the table to the left on lines 25 and 36.

* The QEZE credit for real property taxes and the QEZE tax reduction credit are generally available for up to 14 years for taxpayers that continue to qualify.

Schedule I — Related entities

List the names and identification numbers of any related business entities. Use the definition of related persons in the addendum of the instructions to determine if an entity is related.

Name	Identification number