



Instructions for Form CT-186-P/M

Utility Services MTA Surcharge Return

Tax Law — Article 9, Section 186-c

CT-186-P/M-1

Important reminder to file a complete return: You must complete all required schedules and forms that make up your return, and include **all pages** of those forms and schedules when you file. Returns that are missing required pages or that have pages with missing entries are considered incomplete and cannot be processed, and may subject taxpayers to penalty and interest.

Up-to-date information affecting your tax return

Visit our Web site for tax law changes or forms corrections that occurred after the forms and instructions were printed (see *Need help?*).

Changes for 2008

Increase in the mandatory first installment of estimated tax — The Tax Law was amended to provide an increase in the mandatory first installment for taxpayers, other than life insurance corporations filing Forms CT-33 or CT-33-A, and continuing section 186 taxpayers filing Form CT-186, whose preceding year's tax, exclusive of the metropolitan transportation business tax (MTA surcharge), exceeded \$100,000. For tax years beginning on or after January 1, 2009, those taxpayers are required to pay a first installment equal to 30% of the preceding year's tax. Additionally, taxpayers who are required to pay their mandatory first installment at the 30% rate and are subject to the MTA surcharge are also required to calculate their estimated tax for the MTA surcharge at 30% of the preceding year's MTA surcharge. The remaining three estimated tax payments are to be adjusted so that the total payments do not exceed 100% of the estimated tax due. The mandatory first installment of estimated tax and estimated MTA surcharge remains at 25% of the preceding year's tax and tax surcharge, respectively, for those taxpayers whose preceding year's tax exceeded \$1,000, but was less than or equal to \$100,000.

Form CT-222, Underpayment of Estimated Tax by a Corporation, revised — Previously, Form CT-222 was used by a corporation to report to the Tax Department the amount of the underpayment of estimated tax penalty the corporation was subject to. Beginning with the 2008 Form CT-222, corporations will file Form CT-222 only to inform the Tax Department that the corporation meets one of the exceptions to the underpayment of estimated tax penalty. The Tax Department will compute the amount of any penalty and notify the corporation of any amount due.

Who must file

Note: If you are a telephone or telegraph company or other provider of telecommunication services, even if those services are not your primary business, do not file this form. Instead, file Form CT-186-E, *Telecommunications Tax Return and Utility Services Tax Return*.

A taxpayer filing Form CT-186-P, *Utility Services Tax Return — Gross Income*, who does business in the Metropolitan Commuter Transportation District (MCTD), must also file Form CT-186-P/M and pay a metropolitan transportation business tax (MTA surcharge) on business done in the Metropolitan Transportation Authority region. The MCTD includes the counties of New York, Bronx, Queens, Kings, Richmond, Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk, and Westchester.

When and where to file

This return is due on March 15, following the close of the calendar year. If March 15 falls on a Saturday, Sunday, or legal holiday, the return is due on the next business day.

Mail your return to: **NYS CORPORATION TAX
PROCESSING UNIT
PO BOX 22038
ALBANY NY 12201-2038**

Private delivery services — If you choose, you may use a private delivery service, instead of the U.S. Postal Service, to mail in your return and tax payment. However, if, at a later date, you need to establish the date you filed your return or paid your tax, you cannot use the date recorded by a private delivery service **unless** you used a delivery service that has been designated by the U.S. Secretary of the Treasury or the Commissioner of Taxation and Finance. (Currently designated delivery services are listed in Publication 55, *Designated Private Delivery Services*. See *Need help?* for information on obtaining forms and publications.) If you have used a designated private delivery service and need to establish the date you filed your return, contact that private delivery service for instructions on how to obtain written proof of the date your return was given to the delivery service for delivery. If you use **any** private delivery service, whether it is a designated service or not, send the forms covered by these instructions to: State Processing Center, 431C Broadway, Albany NY 12204-4836.

Extension of time for filing MTA surcharge return — If you cannot meet the filing deadline, you may request an extension of time by filing Form CT-5.9, *Request for Three-Month Extension to File*, on or before the due date of the return for which you are requesting the extension, and paying any amount you estimate to be due. An extension of time granted by the IRS to file a federal tax return does not extend the due date for filing Form CT-186-P/M.

Amended return — If you are filing an amended return, please mark an **X** in the *Amended return* box on page 1 of the return.

Employer identification number, file number, and other identifying information — Enter your employer identification number and file number. If you use a paid preparer or accounting firm, make sure they use your complete and accurate identifying information when completing all forms.

Changes of 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, please enter your new address in the appropriate area and file Form DTF-96, *Report of Address Change for Business Tax Accounts*. You can get these forms from our Web site, by phone, or by fax. See *Need help?*

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

Negative amounts — Show any negative amounts with a minus (-) sign.

Percentages — When computing allocation percentages, convert decimals into percentages by moving the decimal point two spaces to the right. Round percentages to four decimal places.

Example: $5,000/7,500 = 0.6666666 = 66.6667\%$.

Entering dates — Unless you are specifically directed to use a different format, enter dates in the *mm-dd-yy* format (using dashes and not slashes).

Line instructions

Line A — Make your check or money order payable 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**.

Computation of MTA surcharge

MTA surcharge — For a utility supervised by the Department of Public Service (when the utility is not a provider of telecommunication services) the MTA surcharge on Form CT-186-P/M for the tax year January 1, 2008, through December 31, 2008, is computed using the 2% (.02) tax rate on gross income as computed on Form CT-186-P.

Line 1 — Enter the amount of receipts shown on Form CT-186-P, line 3, that are derived from sources within the MCTD. Use the same method of accounting to compute MCTD gross income (that is, the **accounting** rule allocation method or the **formula** rule allocation method) as was used to compute New York State gross income. Make no deduction for the power for jobs tax credit.

First installment of estimated MTA surcharge for next period

If on Form CT-186-P you are required to make a first installment of estimated tax for the next period, you must also make a first installment of the MTA surcharge for the next period.

Line 7b — If you did not file Form CT-5.9, and the tax on Form CT-186-P, line 8, is more than \$1,000, but not more than \$100,000, enter 25% (.25) of the amount on line 6.

If you did not file Form CT-5.9 and the tax on Form CT-186-P, line 8, exceeds \$100,000, enter 30% (.30) of the amount on line 6.

If you did not file Form CT-5.9, and the tax on Form CT-186-P, line 8, is \$1,000 or less, enter 0.

Line 11 — Form CT-222, *Underpayment of Estimated Tax by a Corporation*, is filed by a corporation to inform the Tax Department that the corporation meets one of the exceptions to the underpayment of estimated tax penalty pursuant to Tax Law section 1085(d).

Line 12 — If you do not pay the MTA surcharge on or before the original due date (**without** regard to any extension of time for filing), 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 7a or 7b.

Line 13 — Compute late filing and late payment penalties on the amount of MTA surcharge minus 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 7a or 7b.

Note: You may compute your penalty and interest by accessing our Web site and clicking on *Online Tax Center*, or you may call and we will compute the penalty and interest for you (see *Need help?*).

Line 15 — If line 8 is less than line 9, subtract line 8 from line 9. This is the amount of overpayment. You may divide the amount of overpayment on lines 16, 17, and 18 in any way you choose.

Collection of debts from your refund or overpayment — We will keep all or part of your refund or overpayment if you owe a past-due, legally enforceable debt to a New York State agency, or if

you owe a New York City tax warrant judgment debt. We may also keep all or part of your refund or overpayment if you owe a past-due legally enforceable debt to another state, provided that state has entered into a reciprocal agreement with New York State. If we keep your refund or overpayment, we will notify you.

A New York State agency 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 or apply as an overpayment any amount over your debt.

If you have any questions about whether you owe a past-due, legally enforceable debt to a state agency, or to another state, or whether you owe a New York City tax warrant judgment debt, contact the state agency, the other state, or the New York City Department of Finance.

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) or write to: NYS Tax Department, Collections and Civil Enforcement Division, W A Harriman Campus, Albany NY 12227.

Composition of prepayments claimed on line 9

If you need more space, write **see attached** in this section and attach a separate sheet showing all relevant prepayment information. Transfer the total shown on the sheet to line 25, *Total prepayments*.

Third-party designee

If you want to authorize another person (third-party designee) to discuss this tax return with the New York State Tax Department, mark an **X** in the **Yes** box in the *Third-party designee* area of your return. Also **print** the designee's name, phone number, and any five-digit number the designee chooses as his or her personal identification number (PIN). If you want to authorize the paid preparer who signed your return to discuss the return with the Tax Department, **print** the preparer's name in the space for the designee's name and enter the preparer's phone number in the space for the designee's phone number. You do not have to provide the other information requested. If you do not want to authorize another person, mark an **X** in the *No* box.

If you mark the **Yes** box, you are authorizing the Tax Department to discuss with the designee any questions that may arise during the processing of your return. You are also authorizing the designee to:

- give the Tax Department any information that is missing from your return;
- call the Tax Department for information about the processing of your return or the status of your refund or payment(s); and
- respond to certain Tax Department notices that you shared with the designee about math errors, offsets, and return preparation. The notices will not be sent to the designee.

You are not authorizing the designee to receive your refund check, bind you to anything (including any additional tax liability), or otherwise represent you before the Tax Department. If you want the designee to perform those services for you, you must file Form POA-1, *Power of Attorney*, making that designation with the Tax Department. Copies of statutory tax notices or documents (such as a *Notice of Deficiency*) will only be sent to your designee if you file Form POA-1.

You cannot change the PIN. The authorization will automatically end on the due date (without regard to extensions) for filing your next year's tax return.

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 5-a, 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 Records Management and Data Entry, NYS Tax Department, W A Harriman Campus, Albany NY 12227; telephone 1 800 225-5829. From areas outside the United States and outside Canada, call (518) 485-6800.

Need help?



Internet access: www.nystax.gov
(for information, forms, and publications)



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



Telephone assistance is available from 8:00 A.M. to
5:00 P.M. (eastern time), Monday through Friday.
To order forms and publications: 1 800 462-8100
Corporation Tax Information Center: 1 888 698-2908
From areas outside the U.S. and
outside Canada: (518) 485-6800



Text Telephone (TTY) Hotline (for persons with
hearing and speech disabilities using a TTY): If you
have access to a TTY, contact us at 1 800 634-2110.
If you do not own a TTY, 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 1 800 972-1233.