



Instructions for Form CT-501 Temporary Deferral Nonrefundable Payout Credit For Nonrefundable Credits Deferred for Tax Years Beginning On or After January 1, 2010 and Before January 1, 2013

General information

Temporary deferral of certain tax credits

For tax years beginning on or after January 1, 2010, and before January 1, 2013, if the total amount of certain credits that you could use to reduce your tax or have refunded to you was greater than \$2 million, changes to the Tax Law deferred the excess over \$2 million to tax years beginning on or after January 1, 2013.

Purpose of Form CT-501

For tax years beginning on or after January 1, 2013, use Form CT-501 to claim the temporary deferral nonrefundable payout credit.

You may not:

- use this credit to reduce the tax due to less than the fixed dollar minimum tax, or
- apply the credit against the metropolitan transportation business tax (MTA surcharge).

New York S corporations: If you filed Form CT-500, *Corporation Tax Credit Deferral*, and deferred a special additional mortgage recording tax credit, you must file this form. Shareholders of New York S corporations will file Form IT-501, *Temporary Deferral Nonrefundable Payout Credit*, with their New York personal income tax return to claim any credits flowed through from the S corporation that were required to be deferred.

Using your accumulated deferred credits

Combine the accumulated amounts of **nonrefundable** tax credits that were deferred for tax years beginning on or after January 1, 2010, and before January 1, 2013, to determine your temporary deferral nonrefundable payout credit. You **cannot** request a refund for any unused portion of this credit; however, you may carry it forward to future tax years indefinitely.

Line instructions

Schedule A: Calculation of credit used and carried over

Lines 2 and 5 entries table

Section 1		
Franchise tax return filed	Enter on line 2 any net recaptured tax credits plus the amount from	Enter on line 5 the amount below
Forms CT-183 and CT-184	Form CT-183, line 4 plus Form CT-184, line 3 or 4	75
Form CT-186	Line 5	125
Form CT-3	Part 2, line 2	Part 2, line 1c
Form CT-3-A	Part 2, line 2	Part 2, line 1c
Form CT-3-S	Part 2, line 23	Part 2, line 23
Section 2		
Tax return filed	Enter on line 2 any net recaptured tax credits plus the amount from	Enter on line 5 the amount below
Form CT-186-E	Line 88	0
Form CT-186-P	Line 4	0

Line 2

Enter your tax before credits using the *Lines 2 and 5 entries table* above. You can apply the temporary deferral nonrefundable payout credit to taxes as calculated on the forms listed in the table. However, you cannot apply the credit against both a franchise tax return listed in Section 1 and a tax return listed in Section 2.

Line 3

If you are claiming more than one tax credit for this year, enter the total amount of credits you claimed before applying this credit; otherwise, enter **0**. You **must** apply tax credits in a specific order.

Article 9-A filers: For the correct order of credits, see Form CT-600-I, *Instructions for Form CT-600, Ordering of Corporation Tax Credits*.

Combined filers: Include the total amount of all tax credits you **and** other members of the combined group are claiming, including the temporary deferral nonrefundable payout credit, that you want to apply before you apply this credit.

Line 5

Enter the amount using the *Lines 2 and 5 entries table*.

Line 7

Enter the lesser of line 1 or line 6. Transfer this amount to your franchise tax return.