New York State
2024

Department of Taxation and Finance
START-UP NY Tax Elimination Credit
Tax Law – Article 1, Section 40 and Article 9-A, Section 210-B.41

CT-638

All filers must enter tax period:

beginning [ ]   ending [ ]

Legal name of corporation	Employer identification number (EIN)

File this form with Form CT-3, CT-3-A, or CT-3-S.

All filers **must** complete line A.

A Are you claiming this credit as a corporation that **earned** the credit (not as a corporate partner that received a share of the credit from a partnership)? *(mark an X in the appropriate box)* .... Yes • [ ]   No [ ]

C corporations

If *Yes*, complete lines B, C, and D and Schedules A, C (Part 1), D and E.

If *No*, and you are claiming this credit as a corporate partner, complete lines B, C, and D and Schedules C (Part 2), D and E.

New York S corporations

If *Yes*, complete lines B, C, and D and Schedules A and B.

If *No*, and you are claiming this credit as a corporate partner, do **not** complete this form. Instead use Form CT-34-SH, *New York S Corporation Shareholders' Information Schedule*, to report the allocation factor of the partnership *(see instructions)*.

B Certificate number from Form DTF-74, *Certificate of Eligibility*, issued to the approved START-UP NY business *(see instructions)* .... • [ ]

C Are you certified by multiple sponsors? *(mark an X in the appropriate box)* .... Yes • [ ]   No [ ]
Enter the sponsor(s) name(s) below from Form DTF-74 *(see instructions)*.

Sponsor(s) names(s)

D Year of START-UP NY business tax benefit period *(enter a number from 1 to 10; see instructions)* .... • [ ]

Schedule A – Allocation factor *(see instructions)*

		A Tax-free NY area		B New York State	
1 Average value of property *(see instructions)* .... •	**1**			•	
2 Property factor *(divide line 1, column A, by line 1, column B; round the result to the fourth decimal place)*	**2**			•	
3 Wages, salaries, and other compensation of employees *(see instructions)*.... •	**3**			•	
4 Wage factor *(divide line 3, column A, by line 3, column B; round the result to the fourth decimal place)*................................	**4**			•	
5 Total factors *(add lines 2 and 4)*...........................	**5**				
6 Allocation factor *(divide line 5 by two; round the result to the fourth decimal place; enter here and on line 24)*................................	**6**			•	

Schedule B – New York S corporation business allocation factor *(C corporations do not complete this schedule)*

		A New York State		B Everywhere	
7 Average value of property *(see instructions)*............ ●	**7**				
8 Property factor *(divide line 7, column A, by line 7, column B; round the result to the fourth decimal place)*...................	**8**				
9 Wages, salaries, and other compensation of employees *(see instructions)* .. ●	**9**				
10 Wage factor *(divide line 9, column A, by line 9, column B; round the result to the fourth decimal place)*	**10**				
11 Apportionment factor *(from Form CT-3-S, line C)*	**11**				
12 Total factors *(add lines 8, 10, and 11)*	**12**				
13 Business allocation factor *(divide line 12 by three; round the result to the fourth decimal place)*	**13**				

Schedule C – Tax factor *(complete Part 1 or Part 2; see instructions; New York S corporations do not complete this schedule)*

Part 1 – Corporations computing their own credit *(see instructions)*

14 Enter your tax .... ●	**14**	
15 All other credits applied against your tax .... ●	**15**	
16 Tax factor .... ●	**16**	

Part 2 – Corporate partners *(see instructions)*

17 Tax from your franchise tax return *(see instructions)* .... ●	**17**	
18 All other credits applied against your tax *(see instructions)* .... ●	**18**	
19 Tax factor before partnership allocation *(see instructions)* .... ●	**19**	
20 Your share of partnership income allocated to New York State *(see instructions)* .... ●	**20**	
21 Partners business income allocated to New York State .... ●	**21**	
22 Divide line 20 by line 21 *(cannot exceed 1.0; round the result to the fourth decimal place)* .... ●	**22**	
23 Corporate partners tax factor *(multiply line 19 by line 22; enter here and on line 25)* .... ●	**23**	

Schedule D – Computation of credit

24 Allocation factor *(from line 6; corporate partners see instructions)* .... ●	**24**	
25 Tax factor *(from line 16 or line 23)* .... ●	**25**	
26 Total credit *(multiply line 24 by line 25)* .... ●	**26**	

Schedule E – Computation of tax credit used, refunded, or credited as an overpayment to the next year
(New York S corporations do not complete this schedule)

27 Tax due before credits *(see instructions)*	**27**	
28 Tax credits claimed before this credit *(see instructions)* .... ●	**28**	
29 Subtract line 28 from line 27	**29**	
30 If line 24 equals 1.0, enter *0*. If line 24 is less than 1.0, see instructions	**30**	
31 Credit limitation *(subtract line 30 from line 29)* .... ●	**31**	
32 Credit used this year *(enter the lesser of line 26 or line 31, here and on your franchise tax return)* .... ●	**32**	
33 Unused credit available as a refund or as an overpayment *(subtract line 32 from line 26)* .... ●	**33**	
34 Amount of credit to be refunded *(limited to the amount on line 33; enter here and on your franchise tax return)* .... ●	**34**	
35 Amount of credit to be applied as an overpayment to next year's tax *(subtract line 34 from line 33; enter here and on your franchise tax return)* .... ●	**35**	

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