



New York State Department of Taxation and Finance

# Temporary Deferral Refundable Payout Credit

Tax Law – Article 1, Section 34; Article 9, Section 187-p; Article 9-A, Section 210.42; Article 32, Section 1456(w); and Article 33, Section 1511(z)

# CT-502

File this form with your franchise tax return.

|                           |                                |
|---------------------------|--------------------------------|
| Legal name of corporation | Employer identification number |
|---------------------------|--------------------------------|

## Schedule A – Computation of credit

|    |  |    |  |
|----|--|----|--|
| 1  | Temporary deferral refundable payout credit to be claimed in 2014 and 2015 (from 2013 Form CT-502, line 14) •  | 1  |  |
| 2  | Credit available for the current tax year (multiply line 1 by 75% (.75); see instructions) .....               | 2  |  |
| 3  | Tax due before credits (see instructions) .....  | 3  |  |
| 4  | Tax credits claimed before this credit (see instructions) .....  | 4  |  |
| 5  | Subtract line 4 from line 3 .....  | 5  |  |
| 6  | Minimum tax limitation (see instructions) .....  | 6  |  |
| 7  | Credit limitation (subtract line 6 from line 5; if zero or less, enter 0) .....                                | 7  |  |
| 8  | Amount of credit used for the current tax year (see instructions) .....  | 8  |  |
| 9  | Amount of credit available for refund or as an overpayment to next year's tax (subtract line 8 from line 2) •  | 9  |  |
| 10 | Credit to be refunded (limited to the amount from line 9; see instructions) .....                              | 10 |  |
| 11 | Credit to be applied as an overpayment to next year's tax (subtract line 10 from line 9; see instructions) ... | 11 |  |
| 12 | Credit to be claimed in 2015 (subtract line 2 from line 1; see instructions) .....                             | 12 |  |

## Instructions

### 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, the excess over \$2 million was deferred to tax years beginning on or after January 1, 2013.

#### Purpose of Form CT-502

For tax years beginning on or after January 1, 2013, use Form CT-502 to claim the temporary deferral refundable payout credit.

**New York S corporations:** Only file this form if you filed Form CT-500 and deferred a special additional mortgage recording tax credit. Shareholders of New York S corporations will file Form IT-502 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

The accumulated amounts of **refundable** tax credits that were deferred for tax years beginning on or after January 1, 2010, and before January 1, 2013, are combined to become your *temporary deferral refundable payout credit*. Taxpayers are allowed to claim this credit over a period of three tax years as follows:

| Tax year  | Claim amount allowed                            |
|---|---|
| Beginning on or after January 1, 2013, and before January 1, 2014 | 50% of the total accumulated credit             |
| Beginning on or after January 1, 2014, and before January 1, 2015 | 75% of the balance of the accumulated credit    |
| Beginning on or after January 1, 2015, and before January 1, 2016 | The remaining balance of the accumulated credit |

If the amount of the temporary deferral refundable payout credit allowed for each year exceeds your tax for the year, the excess will be treated as a refund or overpayment of tax to be credited to next year's tax. Interest will not be paid on the refund or overpayment.

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**Line instructions****Schedule A – Computation of credit**

| <b>Section 1</b>           |  |                                  |
|----------------------------|--|----------------------------------|
| Franchise tax return filed | Enter on line 3 any net recaptured tax credits <b>plus</b> the amount from | Enter on line 6 the amount below |
| Forms CT-183 and CT-184    | Form CT-183, line 4 <b>plus</b> Form CT-184, line 3 or 4                   | <b>75</b>                        |
| Form CT-185                | Line 6   | <b>10</b>                        |
| Form CT-186                | Line 5   | <b>125</b>                       |
| Form CT-3                  | Line 78  | Line 74b                         |
| Form CT-3-A                | Line 77  | Line 74b                         |
| Form CT-3-S                | Line 23  | Line 23                          |
| Form CT-32                 | Line 5   | <b>250</b>                       |
| Form CT-32-A               | Line 5   | <b>250</b>                       |
| Form CT-32-S               | Line 10  | <b>250</b>                       |
| Form CT-33                 | Line 11  | <b>250</b>                       |
| Form CT-33-A               | Line 15  | Line 4 plus line 12              |
| Form CT-33-NL              | Line 5   | <b>250</b>                       |
| <b>Section 2</b>           |  |                                  |
| Tax return filed           | Enter on line 3 any net recaptured tax credits <b>plus</b> the amount from | Enter on line 6 the amount below |
| Form CT-186-E              | Line 88  | <b>0</b>                         |
| Form CT-186-P              | Line 4   | <b>0</b>                         |

**Line 3** — Enter your tax before credits using the *Lines 3 and 6 entries table* above. The temporary deferral refundable payout credit can be applied to taxes as computed on the forms listed in the table above. However, the credit cannot be applied against both a franchise tax return listed in Section 1 and a tax return listed in Section 2.

**Line 4** — If you are claiming more than one tax credit for this year, enter the amount of credits claimed before applying this credit; otherwise, enter **0**. You must apply certain credits before the temporary deferral refundable payout credit. Refer to the instructions of your franchise tax return to determine the order of credits that applies.

**Article 9-A filers:** Refer to Form CT-600-I, *Instructions for Form CT-600*, for the order of credits.

If you are included in a combined return, include any amount of tax credits being claimed by other members of the combined group, including the temporary deferral refundable payout credit, that you want to apply before your temporary deferral refundable payout credit.

**CT-33 and CT-33-A filers, including unauthorized insurance corporations:** Do not enter on this line any amount of empire zone (EZ) wage tax credits, zone equivalent area (ZEA) wage tax credits, or EZ capital tax credits you may be claiming. If you are included in a combined return, do not include any amount of these tax credits being claimed by other members of the combined group.

**Line 6** — Enter the amount using the *Lines 3 and 6 entries table* above.

**Lines 8, 10, and 11** — Enter on line 8 the lesser of line 2 or line 7. Enter the amounts from lines 8, 10, and 11 on your franchise tax return.

**Line 12** — You will need this amount to complete your 2015 Form CT-502.

**Need help and Privacy notification**

See Form CT-1, *Supplement to Corporation Tax Instructions*.

