



# Department of Taxation and Finance

## Important

Article 32 of the Tax Law was repealed, effective for tax years beginning on or after January 1, 2015, by Part A of Chapter 59 of the Laws of 2014. As a result, this TSB-M is obsolete and cannot be relied upon for tax years on or after that date insofar as the TSB-M addresses matters relating to Article 32.

For additional information concerning the Article 32 repeal, see [Transitional Filing Provisions for Taxpayers Affected By Corporate Tax Reform Legislation](#).

This TSB-M begins on page 2 below.

**New York State Department of Taxation and Finance**  
**Taxpayer Services Division**  
**Technical Services Bureau**

TSB-M-78 ( 15 )C  
Corporation Tax  
Instructions and Interpretations Section  
September 5, 1978

Subject: Consolidated Bank Returns - Allocation of  
a General Business Corporation

The following question has been raised concerning Article 32 (Franchise Tax on Banking Corporation) of the Tax Law.

Question:

When a banking corporation files a consolidated return (CT-32A) with general business type corporations (Article 9-A type corporations), should the Article 9-A three factor formula allocation for allocating entire net income within and without New York State be allowed?

Answer:

NO. General business corporations which file on an Article 32 consolidated return (CT-32A) must allocate pursuant to the methods allowed under Article 32 of the Tax Law. Such corporations must allocate pursuant to the rules of separate accounting as set forth in Part 35 of the current Bank Tax Regulations (20 N.Y.C.R.R.35.1 et seq.). Even though Part 35 was written with banking corporations in mind, the separate accounting principles set forth in these regulations apply to general business corporations filing under Article 32.