

Extension of Metropolitan Business Tax Surcharge
Articles 9, 9A, 32 and 33
Retaliatory Tax Credit
Article 33

Chapter 999 of the Laws of 1984 amends Sections 183-a, 184-a, 186-b, 186-c, 209-B, 1455-B and 1505-a of the Tax Law to extend the Metropolitan Business Tax Surcharge for an additional 24 months. This additional period will encompass calendar years 1984 and 1985, fiscal years ending in 1985 and 1986 or short periods ending in 1984 and 1985. Short period returns ending in 1986 may also be subject to the surcharge if the short period ending in 1986 ended before December 31, 1986 and the 24 month limitation has not been met. The additional surcharge periods, as provided by Chapter 999 of the Laws of 1984, shall not exceed 24 months for any taxpayer. The applicable surcharge rate is 17% for the additional periods under all sections of the Tax Law amended by Chapter 999 of the Laws of 1984.

The Metropolitan Business Tax Surcharge will be imposed on corporations doing business in the Metropolitan Commuter Transportation District. The Metropolitan Commuter Transportation District consists of the counties of New York, Bronx, Kings, Queens, Richmond, Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk and Westchester.

Sections 183-a and 184-a extend the tax surcharge on transportation and transmission corporations doing business in the Metropolitan Commuter Transportation District. Since Section 183 is an advance tax, the 1984 surcharge due March 15, 1985 under Section 183-a is computed on the Section 183 tax for the period ended December 31, 1983 and due March 15, 1984. Likewise, the 1985 surcharge due March 15, 1986 is computed on the Section 183 tax for the period ended December 31, 1984 and due March 15, 1985. The surcharge computed under Section 184-a is computed on the current year's tax computed under Section 184 (e.g. the 1984 surcharge due March 15, 1985 is computed on the Section 184 tax for the period ended December 31, 1984 and due March 15, 1985). See TSB-M-83(2)C for additional details on the Metropolitan Business Tax Surcharge on Transportation and Transmission Corporations taxable under Sections 183 and 184 of Article 9 of the Tax Law.

Section 186-b extends the tax surcharge on utility corporations taxable under Section 186 and doing business in the Metropolitan Commuter Transportation District. See TSB-M-83(3)C for additional details on the Metropolitan Transportation Business Tax Surcharge on waterworks, gas, electric, steam heating, lighting or power corporations taxable under Section 186 of Article 9 of the Tax Law.

Section 186-c extends the tax surcharge on utilities taxable under Section 186-a and doing business in the Metropolitan Commuter Transportation District. See TSB-M-83(4)C for additional details on the Metropolitan Transportation Business Tax Surcharge on utilities taxable under Section 186-a of the Tax Law.

Section 209-B extends the tax surcharge on corporations taxable under Article 9-A of the Tax Law and doing business in the Metropolitan Commuter Transportation District. See TSB-M-83(5)C for any additional details on the Metropolitan Business Tax Surcharge on corporations taxable under Article 9-A of the Tax Law.

Section 1455-B of the Tax Law extends the tax surcharge on banking corporations taxable under Article 32 of the Tax Law and doing business in the Metropolitan Commuter Transportation District. See TSB-M-83(6)C for additional details on the Metropolitan Transportation Business Tax Surcharge on banking corporations taxable under Article 32 of the Tax Law.

Section 1505-a of the Tax Law extends the tax surcharge on insurance corporations taxable under Article 33 of the Tax Law and doing business in the Metropolitan Commuter Transportation District. See TSB-M-83(7)C for additional details on the Metropolitan Transportation Business Tax Surcharge on insurance corporations taxable under Article 33 of the Tax Law.

Chapter 999 of the Laws of 1984 also amended subdivision (d) of Section 1505-a of the Tax Law to allow a surcharge retaliatory tax credit for payments made to other states for retaliatory tax paid to such other states as a result of the surcharge. For additional information on the computation of the retaliatory tax credit see TSB-M-85(4)C.