



Important Notice

Spring 2000

New York State Nonresidents and Part-Year Residents: Elimination of the New York City Nonresident Earnings Tax

This notice applies to taxpayers subject to the 1999 New York City nonresident earnings tax who were nonresidents of New York State after June 30, 1999.

As a result of a recent New York State Court of Appeals decision, the city of New York nonresident earnings tax has been eliminated for New York State nonresidents on or after July 1, 1999. Prior to the decision, legislation enacted in 1999 eliminated the tax only for New York State residents. This notice and the enclosed materials are being issued to provide New York State nonresidents and part-year residents with the information you need to:

- correctly file your 1999 Form NYC-203, *City of New York Nonresident Earnings Tax Return*, if you have not already filed for 1999 (see paragraph 1 below), or
- amend your 1999 Form NYC-203, if you have already filed for 1999, to receive a refund of New York City nonresident earnings tax paid for the period on or after July 1, 1999 (see paragraph 2 below), or
- amend estimated tax payments made for the tax year 2000 to reflect the elimination of the New York City nonresident earnings tax (see paragraph 3 below), or
- claim a refund of New York City nonresident earnings tax withheld from wages for the tax year 2000 (see paragraph 4 below).

(1) For taxpayers WHO HAVE NOT FILED a 1999 New York State income tax return:

Complete the Form NYC-203 that is found in Form IT-203-P, *New York State Nonresident and Part-Year Resident Income Tax Packet*, that you previously received in the mail, using the instructions contained in this booklet, Form NYC-203/NYC-203-X-I, *Revised Instructions for Form NYC-203/Instructions for Form NYC-203-X*. **Do not** use the instructions found on pages 49 through 54 in your Form IT-203-P (or in the Form IT-203-I instruction booklet). If you do not have Form NYC-203, see *Forms and Assistance* on the back of this notice. Be sure to attach Form NYC-203 to your Form IT-203, *Nonresident and Part-Year Resident Income Tax Return*, and mail your return using the preprinted envelope that was included with your packet, or mail it to the address shown under *Where to file* in your packet.

(2) For taxpayers WHO HAVE FILED a 1999 New York State income tax return:

If you need to amend your 1999 Form NYC-203, complete the enclosed 1999 Form NYC-203-X, *Amended City of New York Nonresident Earnings Tax Return*, using Form NYC-203/NYC-203-X-I, *Revised Instructions for Form NYC-203/Instructions for Form NYC-203-X*, in this booklet. See the instructions for Form NYC-203-X to determine if you need to amend your 1999 Form NYC-203. You **do not** have to file an amended New York State return if you use Form NYC-203-X to amend your 1999 New York City nonresident earnings tax. Form NYC-203-X has been designed to simplify the process of filing an amended Form NYC-203. Mail Form NYC-203-X to: **NYS Tax Department, NYC-203-X Unit, Building 8A, Ground Floor, WA Harriman Campus, Albany NY 12227.**

(3) Taxpayers making estimated tax payments:

You should not make any New York City nonresident earnings tax estimated tax payments for tax year 2000. If you have already paid your first installment of nonresident earnings tax estimated tax, or if you had requested that your 1999 New York State and City overpayment be applied to your 2000 estimated tax, you should recompute your total state and city estimated tax to reflect the elimination of the New York City nonresident earnings tax. You may reduce your future 2000 New York State estimated tax payments by the amount of any city nonresident estimated tax payments previously made. You cannot apply for a refund of any estimated tax payments. To recompute your estimated tax for 2000, see Form IT-2105-I, *Instructions for Form IT-2105*.

(4) Claiming refunds of New York City nonresident earnings tax withheld for tax year 2000:

Employers have been instructed to stop withholding New York City nonresident earnings tax on future wage payments. To obtain a refund of New York City nonresident earnings tax already withheld from your wages paid during 2000, you may choose to file a special refund claim form (Form NYC-203-R, *Claim for Refund of New York City Nonresident Earnings Tax Withheld*) that the Tax Department has designed. This form will be available and mailed to you approximately one month from the date you receive this booklet. **Note:** you should not file this form until your employer has stopped withholding the New York City nonresident earnings tax. To file this refund claim form, you will need to know the amount of your wages on which your employer(s) withheld New York City nonresident earnings tax for 2000, and the amount of New York City nonresident earnings tax withheld for 2000. It is your responsibility to determine your wages and New York City nonresident earnings tax withheld on those wages from your records (for example, the year-to-date pay stub for the last period for which New York City nonresident earnings tax was withheld). Employers are not required to supply a midyear wage and tax statement detailing this information.

If you choose not to file Form NYC-203-R, you can claim the 2000 New York City nonresident earnings tax withheld when you file your tax year 2000 Form IT-203, *Nonresident and Part-Year Resident Income Tax Return*, in 2001.

Forms and assistance

Forms NYC-203 and NYC-203-X may be obtained:

- from the Tax Department's Web site at www.tax.state.ny.us. In addition, this notice, other New York tax forms, publications, and other tax information are also available on the Department's Web site;
- by using the Tax Department's fax-on-demand system. The fax-on-demand ordering system may be accessed 24 hours a day, seven days a week, by calling **1 800 748-3676**. The system allows callers to order forms from any Touch-tone phone by entering a special five-digit code number assigned to the form. Form NYC-203 can be ordered by entering the five-digit code **10045** and Form NYC-203-X can be ordered by entering the five digit code **10122**;
- by calling the Tax Department's forms order number at **1 800 462-8100**; or
- by writing to: NEW YORK STATE TAX DEPARTMENT
TAXPAYER ASSISTANCE BUREAU
W A HARRIMAN CAMPUS
ALBANY NY 12227

If you need assistance or have additional questions, call the Taxpayer Assistance Bureau toll free from anywhere in the U.S. and Canada at **1 800 225-5829**. From areas outside the U.S. and outside Canada, call **(518) 485-6800**.