



FINANCE NEW YORK

NYC 324

NEW YORK CITY DEPARTMENT OF FINANCE
SCHEDULE OF OPTIONAL DEPRECIATION
ON QUALIFIED NEW YORK CITY PROPERTY

1999

For CALENDAR YEAR 1999 or FISCAL YEAR beginning \_\_\_\_\_, 1999 and ending \_\_\_\_\_, 2000

ATTACH TO FORM NYC-3L - SEE INSTRUCTIONS ON BACK

Print or Type

Name of Corporation

- EMPLOYER IDENTIFICATION NUMBER -

Table with 10 columns: A (Description of Property), B (Date Acquired), C (Cost), D (Prior Years), E (This Year), F (Undepreciated Balance), G (City Basis), H (Prior Years), I (This Year), J (Undepreciated Balance). Includes a shaded 'TOTAL' row.

Table with 10 columns: 2 (Description of Property), DATE ACQUIRED, COST, PRIOR YEARS, THIS YEAR, UNDEPRECIATED BALANCE, CITY BASIS, PRIOR YEARS, THIS YEAR, UNDEPRECIATED BALANCE. Includes a shaded 'TOTAL' row.

- 3. Total (item 1 plus item 2)
4. Federal loss (gain) on qualified New York City property
5. Enter amount from line 19 of Schedule B, Form NYC - 3L
6. Total of items 3, 4, and 5
7. Unused depreciation from prior years
8. Total allowable New York City optional depreciation
9. Optional depreciation used this year
10. Unused depreciation available for carryforward

**1** Property acquired after December 31, 1965, and before January 1, 1968 (Section 11-604.3(d) of the Administrative Code):

a) At the election of the taxpayer, up to double the amount of federal depreciation on qualified tangible property, or, if the property is used or to be used for research and development in the experimental or laboratory sense, the amount of expenditures in the taxable year, may be deducted from allocated income provided entire net income is computed without any deduction for the depreciation of the same property or for such expenditures. The original use of such property must commence with the taxpayer in the City, and the property must be:

- 1) tangible property depreciable under Section 167 of the Internal Revenue Code;
- 2) constructed, reconstructed, erected or acquired after December 31, 1965, but before January 1, 1968;
- 3) located in New York City.

b) Effective with taxable years beginning on or after January 1, 1968, no such deduction shall be allowed on tangible personal property leased to any other person or corporation.

c) Any unused optional depreciation deduction may be carried forward to succeeding years. The amount of carryover is determined by limiting taxable net income (Form NYC-3L, Schedule B, line 31) to zero.

d) The total deductions for all years, with respect to any item of property, may not exceed the cost of such property. After the entire cost has been deducted, the amount of federal depreciation must continue to be added to the entire net income.

e) The items listed in this schedule may be summarized in such form as will present an accurate statement. Complete details substantiating the amounts shown must be made available upon request.

f) Upon sale or disposition of such property, the amount of federal gain or loss must be disregarded.

Allocated income should be adjusted to reflect the total gain or loss, based on the amount of the deduction allowed under this section. (*Attach rider showing computation.*)

**2** Property acquired after December 31, 1967 (Section 11-604.3(e) of the Administrative Code):

a) At the election of the taxpayer, up to double the amount of federal depreciation on qualified tangible property used in the production of goods by manufacturing, processing, assembling, refining, mining, extracting, farming, agriculture or commercial fishing, or, if the property is used or to be used for research and development in the experimental or laboratory sense, the amount of expenditures in the taxable year, may be deducted from allocated income, provided entire net income is computed without any deduction for the depreciation of the same property or for such expenditures. The original use of such property must commence with the taxpayer in the State and the property must be:

- 1) tangible property depreciable under Section 167 of the Internal Revenue Code;
- 2) constructed or acquired after December 31, 1967;
- 3) located in New York City.

b) The total deductions for all years, with respect to any item of property, may not exceed the cost of such property multiplied by the business allocation percentage of the first year optional depreciation is claimed on that item of property. After the allocated cost has been deducted, the amount of federal depreciation must continue to be added to the net income before allocation.

c) Instructions 1b, 1c, 1e and 1f apply also to property acquired after December 31, 1967.

**3** To claim optional depreciation when computing the alternative tax, see Form NYC-3L, instruction for Schedule A, line 3.