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## STATEMENT OF AUDIT PROCEDURE

### GENERAL CORPORATION TAX VALUATION OF FILMS PRODUCED BY BROADCASTERS

#### I. BACKGROUND

Starting with the tax years beginning in 1982 and 1983, Finance's policy has been not to change a taxpayer's general corporation tax liability solely because the taxpayer calculated its "property factor" using the methodology in New York State Department of Taxation and Finance TSB-M-83 (20)C, provided a complete schedule of films and their valuations included in the property factor was submitted as part of the tax return.

#### II. POLICY

**Continued Applicability:** The audit policy described above continues for all subsequent tax years. Further, there will not be a change in audit policy, unless Finance first promulgates a revised Statement of Audit Procedure.

Audit will not use another method for tax years beginning in or after 1982 and prior to issuing a revised Statement of Audit Procedure, provided the taxpayer had followed the property fact methodology set forth in TSB-M-83 (20)C on its tax return and had submitted a complete schedule of films and their valuations used in computing the property factor as part of that return.