



SUBTRACTION MODIFICATION
FOR QUALIFIED BANKS AND
OTHER QUALIFIED LENDERS

You MUST attach this form to Form NYC-2 or NYC-2A if you
have an entry on Form NYC-2 or NYC-2A, Schedule B, line 23

Name
Employer Identification Number

SCHEDULE A - Modification used in the current tax year (see instructions)

1. Subtraction modification for qualified banks and other qualified lenders
Enter amount from line 3; If line 3 does not apply, enter amount from line 14 or line 16. (Only one of
these three modifications may be utilized.) Add line 21.

Note: All filers must complete Schedule B, even if it is not applicable to you. If this is the case, skip to line 3 and enter 0, then continue with the rest of the form.

SCHEDULE B - Computation of modification for a captive real estate investment trust (REIT) (11-652 (8) (r)) (see instr.)

Identify the captive REIT which you maintained as of April 1, 2014, and which you
also maintained for federal income tax purposes on the last day of this tax year
2. Amount of dividends paid deductions allowed to the captive REIT maintained as identified above
3. Subtraction modification for a captive REIT (multiply line 2 by 160% (1.6); enter here and include on
line 1 above. If not applicable, enter 0)

SCHEDULE C - Computation of modification for qualified residential loan portfolios (11-652 (8) (s)) (see instructions)

4. Qualified residential loan portfolio assets (Form NYC-2A filers include assets for all qualifying members; see instr.)
5. Total assets (Form NYC-2A filers include assets for all qualifying members; see instructions)
6. Divide line 4 by line 5 (see instructions)
Form NYC-2A filers: Complete lines 7 through 10, as applicable
7. Enter average total assets of members that are thrifts and qualified community banks (see instructions)
8. Enter average total assets of all corporations included in the combined group (see instructions)
9. Divide line 7 by line 8 (see instructions)
10. Entire net income (ENI) before this modification (multiply line 9 by the amount from Form NYC-2A,
Schedule B, line 22; see instructions)
11. Form NYC-2 filers: ENI before this modification (from Form NYC-2, Schedule B, line 22; see instructions)
12. Multiply line 10 or line 11, as applicable by 32% (.32) (see instructions)
13. Amounts deducted per IRC sections 166 and 585 in the computation of FTI, less any amounts
included in FTI as a result of the recovery of loans (see instructions)
14. Subtraction modification for qualified residential loan portfolios (subtract line 13 from line 12;
enter here and include on line 1 above, if applicable. If zero or less, enter 0)

SCHEDULE D - Computation of modification for community banks and small thrifts (11-652 (8) (q)) (see instructions)

15. Total net interest income from qualifying loans (from Schedule F, line 11; see instructions)
Form NYC-2A filers - enter the total number of all Schedules F attached to this form
16. Subtraction modification for community banks and small thrifts (multiply line 15 by 50% (.5)
enter here and include on line 1 above, if applicable)

SCHEDULE E - Computation of modification for qualified affordable housing and low income community loans (11-652 (8) (t)) (see instr.)

17. Total net interest income from qualifying loans (from Schedule F, line 11; see instructions)
Form NYC-2A filers: enter the total number of all Schedules F attached to this form
If average total assets (Schedule F, line 4) do not exceed \$100 billion, skip lines 18 through 20 and enter amount from line 17 on line 21. (see instr.)
If average total assets (Schedule F, line 4) exceed \$100 billion but are less than \$150 billion, you must complete lines 18 through line 21. (see instr.)
If average total assets (Schedule F, line 4) are \$150 billion or greater, you are not eligible for this modification. Proceed directly to line 21 and enter 0. (see instr.)
18. Enter \$150 billion minus average total assets during taxable year (from Schedule F, line 4)
19. Enter \$50 billion
20. Subtraction modification factor (divide line 18 by line 19)
21. Subtraction modification for qualified affordable housing and low income community loans (multiply
line 17 by line 20; enter here and include on line 1 above, if applicable)

SCHEDULE F - Computation of total net interest income from qualifying loans

Complete this schedule to compute net interest income from qualifying loans.

Form NYC-2A filers: Compute on a separate basis for each combined entity (see instructions)

EIN of qualifying entity.....

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This schedule is used for: (check appropriate box)

- Computation of modification for community banks and small thrifts (11-652.8(q))
- Computation of modification for qualified affordable housing and low income community loans (11-652.8(t))

1. Gross interest income from loans for the entity identified	1.		
2. Gross interest expense for the entity identified	2.		
3. Average total value of loans owned during the tax year by the entity identified. 3.			
4. Average total assets during the tax year owned by the entity identified. 4.			
5. Loan factor (divide line 3 by line 4)	5.		
6. Gross interest expense from loans (multiply line 2 by line 5)	6.		
7. Net interest income from loans (subtract line 6 from line 1)	7.		
8. Gross interest income from qualifying loans for the entity identified	8.		
9. Gross interest income from all loans for the entity identified (from line 1).. 9.	9.		
10. Qualifying loan interest income factor (divide line 8 by line 9)	10.		
11. Net interest income from qualifying loans for the entity identified (multiply line 7 by line 10; enter on Schedule D, line 15 or Schedule E, line 17).....	11.		

For Form NYC-2A filers: Total line 11 amounts for all combined entities in the group; enter the total on Schedule D, line 15 or Schedule E, line 17 (see instructions).

