

INSTRUCTIONS

Special Condition Code for Tax Year 2019

The New York City Department of Finance (DOF) recognizes that taxpayers and return preparers affected by the COVID-19 outbreak may be unable to meet certain New York City filing and payment deadlines. Therefore, the DOF is waiving penalties for DOF-administered business and excise taxes due between March 16, 2020, and April 25, 2020. If you have been affected by this outbreak and could not file this return (or extension request) on a timely basis, and are requesting that the late filing, late payment or underpayment penalties be waived, enter CV in the two boxes for the Special Condition Code on the top of the form. Please note that while late filing and late payment penalties are waived, interest, where applicable, at the appropriate underpayment rate, must be paid on all tax payments received after the original due date calculated from the original due date to the date of payment. See Finance Memorandum 20-2, Business Tax Filing Extensions and the COVID-19 Outbreak, March 19, 2020.

Legislative Changes

The **Corporation Tax**, as used in these instructions, refers to the Business Corporation Tax under Subchapter 3-A, General Corporation Tax under Subchapter 2 and Banking Corporation Tax under Part 4 of Subchapter 3 of Chapter 6 of Title 11 of the NYC Administrative Code.

See the instructions to Forms NYC-2, NYC-2A, NYC-2S, NYC-3L, NYC-3A, NYC-4S, NYC-4S-EZ, NYC-1 and NYC-1A for legislative changes affecting the calculation of the Corporation Tax.

See the instructions to Forms NYC-202, NYC-202EIN and NYC-204 for legislative changes affecting the calculation of the Unincorporated Business Tax (UBT).

General Information

1. If you file this application on or before the due date, you will automatically receive an extension of six months after the due date for the filing of your completed tax return, if you properly estimate the tax and send a remittance in the amount shown on line 5. (If line 4 exceeds line 3, no remittance is required.)
2. A corporate taxpayer that has received an automatic six-month extension by filing this form may request up to two additional three-month extensions by filing NYC-EXT.1. A separate form NYC-EXT.1 must be filed for each additional

three-month extension requested. The Department of Finance may grant one or both additional three-month extensions if good cause exists.

A UBT taxpayer may not request an additional extension.

3. If a corporation ceases to be subject to tax under the Corporation Tax, the tax accounting period ends on the date on which the cessation occurs and is the corporation's taxable year for that period. The corporation must file a final return or apply for an extension of time to file a final return on or before the 15th day after the date that the corporation ceases to be subject to the Corporation Tax.
4. A properly estimated tax must be either:
 - a) not less than 90% of the tax for the year for which an extension is requested as finally determined
 - or -
 - b) not less than the tax shown on the return for the preceding taxable year if that year consisted of 12 months.

NOTE: For this purpose, the tax as finally determined includes a final determination of the tax due for the taxable period after an audit, the filing of an amended return or any other adjustment or correction.

For UBT partnership filers, if the partnership had

\$1,000,000 or more of unincorporated business taxable income allocated to the City for any taxable year during the three years immediately preceding the taxable year covered by this application, a properly estimated tax is not less than 90% of the tax as it is finally determined. Clause (b) above is not applicable.

Finance will not grant an extension to a taxpayer that fails to meet all of these requirements. If the tax return for which the extension was requested is filed after the due date, the Department may assess late charges and interest. If the taxpayer has obtained a valid automatic extension, only interest will be charged on any balance due with the return.

Line 1

On line 1, enter the estimated tax, after allowable credits for the year covered by this application. See paragraph 3 under "General Information".

Combined Filers

The combined filing is subject to revision or disallowance on audit. The combined group should file a joint application for automatic extension on one form.

The amount entered on this line should be the estimated tax plus the minimum tax for each taxpayer included in the combined group, except the reporting corporation, which is responsible for the combined tax.

The minimum tax for Corporation Tax except for Banking Corporation Tax, is calculated based on a sliding scale (see tables below). The minimum tax for Banking Corporation Tax is \$125.

NOTE: A combined return member is excused from the minimum tax payment if it is not subject to tax.

MINIMUM TAX

To determine the Minimum Tax for Corporations except Banking Corporations, use the following tables.

Table 1 is for all corporations subject to the General Corporation Tax. This would apply to Subchapter S Corporations and Qualified Subchapter Subsidiaries only. **Table 2 applies to all C corporations subject to the Business Corpora-**

tion Tax. The amount of New York City receipts for this purpose is the total amount of all receipts the taxpayer has received in the regular course of business from such sources as sales of personal property, services performed, rentals of property and royalties. For C corporations filing on Forms NYC-2, NYC-2A or NYC-2S, the receipt amount would be the amount shown on NYC-2, Schedule F, Part 1, Line 1, Column A, or Schedule F, Part 2, Line 2a, Column A; or NYC-2S, Schedule A, line 14. For combined groups filing Form NYC-2A, the minimum tax for member corporations (other than the designated agent) is the amount that would be entered on line 5 of Schedule A of that form and the minimum tax for the designated agent is the amount that would be entered on line 3 of Schedule A of that form. See the instructions to Form NYC-2A. For S corporations subject to General Corporation Tax, the receipts amount would be the same as the amount that would have to be shown on Form NYC-3L, Schedule H, Column A, Line 6. For taxpayers which are part of a combined group, the amount would be (i) for the reporting corporation, the amount on Form NYC-3A, Schedule H, Column A line 6a; and (ii) for corporations other than the reporting corporation ("subsidiaries"), the amount on Form NYC-3A/B, Schedule H, Line 6a in the column for that subsidiary, except if there is only one subsidiary, in which case the amount entered on Form NYC-3A, Schedule H, Column B, Line 6a.

TABLE 1 - GENERAL CORPORATION TAX - FIXED DOLLAR MINIMUM TAX

For a corporation with New York City receipts of:

| | |
|-----------------------------------------------------------|---------|
| Not more than \$100,000: | \$25 |
| More than \$100,000 but not over \$250,000: | \$75 |
| More than \$250,000 but not over \$500,000: | \$175 |
| More than \$500,000 but not over \$1,000,000: | \$500 |
| More than \$1,000,000 but not over \$5,000,000: | \$1,500 |
| More than \$5,000,000 but not over \$25,000,000: | \$3,500 |
| Over \$25,000,000: | \$5,000 |

TABLE 2 - BUSINESS CORPORATION TAX - FIXED DOLLAR MINIMUM TAX

For a corporation with New York City receipts of:

| | |
|----------------------------------------------------------------|-----------|
| Not more than \$100,000: | \$25 |
| More than \$100,000 but not over \$250,000: | \$75 |
| More than \$250,000 but not over \$500,000: | \$175 |
| More than \$500,000 but not over \$1,000,000: | \$500 |
| More than \$1,000,000 but not over \$5,000,000: | \$1,500 |
| More than \$5,000,000 but not over \$25,000,000: | \$3,500 |
| More than \$25,000,000 but not over \$50,000,000: | \$5,000 |
| More than \$50,000,000 but not over \$100,000,000: | \$10,000 |
| More than \$100,000,000 but not over \$250,000,000: | \$20,000 |
| More than \$250,000,000 but not over \$500,000,000: | \$50,000 |
| More than \$500,000,000 but not over \$1,000,000,000: | \$100,000 |
| More than \$1,000,000,000: | \$200,000 |

Short periods - fixed dollar minimum tax. Compute the New York City receipts for short periods (tax periods of less than 12 months) by dividing the amount of New York receipts by the number of months in the short period and multiplying the result by 12. The fixed dollar minimum tax may be reduced for short periods:

Period Reduction

- Not more than 6 months50%
- More than 6 months
but not more than 9 months25%
- More than 9 months.....None

Line 2

First Installment of Subsequent Year’s Estimated Tax for S corporation tax only.

Not applicable to those requesting an extension to file a final return.

S corporations only

If the estimated tax shown on line 1 exceeds \$1,000, you must pay the amount shown on line 2 as the first installment payment of estimated tax for the calendar year or fiscal year following the tax year covered by this application. The amount shown on line 2, if properly computed, is your required first installment of estimated tax for the following year, and cannot be changed when filing your completed tax return.

When to File

This application must be filed no later than 2 1/2 months after the year end for the S corporations and UBT - Partnerships or 3 1/2 months after the year end for C corporations and UBT - Individuals. Corporate taxpayers requesting an extension to file a final return, see paragraph #3 under “General Information”.

CAUTION

An extension of time to file your federal tax return or New York State Franchise Tax return does NOT extend the filing date of your New York City tax return.

ELECTRONIC FILING

Register for electronic filing. *eServices* is an *easy, secure* and *convenient* way to file an extension and pay tax on-line.

For more information log on to:

NYC.gov/eservices

MAILING INSTRUCTIONS

Make remittance payable to the order of:
NYC DEPARTMENT OF FINANCE

Payment must be made in U.S.dollars, drawn on a U.S. bank.

To receive proper credit, you must enter your correct Employer Identification Number or Social Security Number on your application and remittance.

MAIL APPLICATIONS TO:

**NYC DEPARTMENT OF FINANCE
P.O. BOX 3653
NEW YORK, NY 10008-3653**