



# DEPARTMENT OF FINANCE AUDIT DIVISION

AP/GCT-1

## STATEMENT OF AUDIT PROCEDURE

### General Corporation Tax Valuation Of Films Produced By Broadcasters

#### I. Background

It has previously been determined that for tax years beginning in 1982 and 1983, it is the Department's audit policy not to change a taxpayer's general corporation tax liability solely because the taxpayer had followed the methodology for computation of the property factor set forth in New York State Department of Taxation and Finance TSB-M-83(20)C, provided that a complete schedule of films and their valuations included in the property factor was submitted as part of the tax return.

#### II. Policy

The audit policy described above shall continue to be effective for all subsequent tax years. Any change in this audit policy will be applicable only to tax years commencing after the promulgation of a revised Statement of Audit Procedure. Moreover, The Audit and Enforcement Division will not apply another method to tax years beginning in or after 1982 and prior to a revised Statement of Audit Procedure, provided that the taxpayer had followed the methodology for computation of the property factor set forth in TSB-M-83(20)C, and provided that a complete schedule of films and their valuations included in the property factor had been submitted as part of the tax return.