



1986 Instructions for Form IT-201

Changes for 1986: ●
(see page 2)

- **Three-Year Tax Cut Program**
- **Tax Rate Decreased**
- **Tax Brackets Widened**
- **Low Income Allowance Increased**
- **Standard Deduction Increased**
- **Family Adjustment Increased**
- **Household Credit Increased**

This booklet also contains:

- ***Instructions for Form IT-201-ATT, Summary of Other Credits and Taxes***

From the Commissioner

January 31, 1986, marked the close of New York's Tax Amnesty program, the most successful program of its kind in the nation. Not only did we collect over \$363 million in back taxes, but thousands of delinquent taxpayers are now back on the tax rolls and paying their fair share.

Since the end of Amnesty, we have been relentlessly pursuing tax cheats so that taxpayers will no longer be shouldering the extra burden of the tax evader. Armed with tough new laws and state-of-the-art computer systems, we are uncovering and cracking down on whole systems of evasion in the State. To catch individuals who are using state borders to evade taxes, we have signed historic information-sharing and other cooperative agreements with fourteen other states, including all of our bordering states and states as far away as California. Indeed, 1986 was a productive year for the Tax Department, bringing bad news for tax evaders, but good news for honest taxpayers.

In addition, you will notice a number of welcome changes when you fill out your 1986 New York State income tax return, as it reflects the second round of tax cuts in New York's three-year tax cut program. Increases in low income allowances exempt thousands of low income individuals and families from paying any income tax at all.

Other families and individuals will benefit from increases in the standard deduction, the household credit and the family adjustment; a decrease in the top tax rate on unearned income; and new tax brackets that shift more taxable income to lower brackets. Once again we are offering taxpayers the opportunity to have the Tax Department figure their taxes for them by filing the Fast Form IT-100 or one of the specialized Fast Forms for retired persons (IT-100-R) and students (IT-100-S).

As this is written, Congress is resuming its work on reforming federal taxes. This federal tax reform provides us on the State level with a welcome opportunity to continue and expand our program of simplifying and reforming New York State taxes for tax year 1987 and beyond.

The Tax Department remains committed to making taxes as painless as possible in New York State by continuing to improve services to taxpayers, by simplifying and improving our tax forms and instructions, and by using all available resources to curtail tax evasion.

Roderick G. W. Chu

Roderick G. W. Chu,
Commissioner

1986 Portion of the \$3.2 Billion, Three-Year Tax Cut Program

THREE-YEAR TAX CUT PROGRAM

The \$3.2 billion income tax cut benefits all taxpayers. There are a number of changes in this year's tax packet due to this tax reduction program that may affect you. These are highlighted below and are compared to 1984 and 1985.

	1984	1985	1986	1987
Maximum tax rate on wages and other earned income	10%	9.5%	9.5%	9%
Maximum tax rate on unearned income	14%	13.75% (effective rate)	13.5%	13%
Standard married, head of household and qualifying widow(er) deduction	17% of income (\$2,500 max.)	\$2,750	\$3,000	\$3,800
Standard single deduction	17% of income (\$2,500 max.)	\$2,500	\$2,600	\$2,800
Personal exemption	\$800	\$850	\$850	\$900
Real property tax credit				
▶ 65 and older	\$250	\$375	\$375	\$375
▶ under 65	\$ 45	\$ 75	\$ 75	\$ 75
Maximum family adjustment	\$ 0	\$3,000	\$4,000	\$5,000

Specific changes for 1986 include:

- **Tax Rate Decreased**

The highest rate of tax on unearned income was lowered from an effective rate of 13.75% to 13.5%.

- **Tax Brackets Widened**

Tax brackets above \$11,000 were widened, shifting more taxable income to lower tax brackets.

- **Low Income Allowance Increased**

Total New York Income can be as much as \$4,000 for singles and \$8,000 for all other filers before any New York State tax is due.

- **Standard Deduction Increased**

The standard deduction was increased for singles from \$2,500 to \$2,600, and for all other filers from \$2,750 to \$3,000.

- **Family Adjustment Increased**

The family adjustment can be as much as \$4,000, up from \$3,000 in 1985. In addition, married couples with total New York income of \$38,000 or less are eligible to claim the tax benefit, up from \$36,000 in 1985.

- **Household Credit Increased**

Household credit amounts and limitations have been adjusted to be more responsive to singles and families having household gross income not exceeding \$28,000 and \$32,000 respectively. The previous limitation on household gross income was \$25,000.

Other Changes

- **1987 Tax Outlook — More Reform**

As we go to print, New York State is studying options to further simplify and reform our taxes in light of proposed federal tax law changes. These State tax law reforms, when finalized, might well result in favorable adjustments to the scheduled 1987 tax changes illustrated in the chart above.

- **New York City Income Tax**

Total New York income for residents of the City of New York can be as much as \$5,500 for singles and \$11,000 for all other filers before any New York City resident income tax is due. For nonresidents earning wages or self employment income in New York City, no New York City tax is due if total New York City income, figured as if they were residents, is equal to or less than these amounts.

Sales and Use Tax

As you may have read, New York State has embarked on a program to ensure that all New Yorkers pay their fair share of sales and use taxes. We have found that while most New Yorkers are familiar with income tax requirements, many may be unaware of their obligations under the sales and use tax laws.

Free information is available explaining these sales tax requirements. For example, if you have purchased a product or service and no sales tax was collected, you may owe a use tax. For more information, call toll-free, 1-800-342-3536, and ask for Publication 774, *New York State Use Tax: Questions and Answers*, and Form ST-130, *New York State and Local Use Tax Return*.

General Information

Who Must File

You must file a New York State resident income tax return if you are a New York State resident and you meet *any* of these conditions:

- You have to file a federal income tax return.
- You are single, and your *total New York income* is:
 - more than \$4,000 and is also
 - more than the number of your exemptions multiplied by \$850

Your *total New York income* is the amount you enter on line 32 of Form IT-201.
- You are married and your combined total New York income is:
 - more than \$8,000 and is also
 - more than your combined number of exemptions multiplied by \$850
- You are a qualifying widow(er) with a dependent child or a head of household with a qualifying person and your total New York income is:
 - more than \$8,000 and is also
 - more than the number of your exemptions multiplied by \$850
- You have tax preference items for minimum income tax purposes totaling more than \$5,000 (\$2,500 if married and filing separately). See *Other Forms You May Have to Use* (Form IT-220, *Minimum Income Tax*) on page 8 of these instructions.
- You are subject to a separate tax on lump sum distributions. See *Other Forms You May Have to Use* (Forms IT-230 and IT-230.1, *Separate Tax on Lump Sum Distributions*) on page 8 of these instructions.
- You are subject to a separate tax because a PASS (parents' and students' savings) fund was terminated. See *Other Forms You May Have to Use* (Form IT-270, *Tuition Deduction and Higher Education (PASS) Funds*) on page 8 of these instructions.

If you are not a New York State resident but received income from New York State sources, you may have to file a nonresident Form IT-203. For more information on who must file a nonresident return, see the instructions for Form IT-203.

City Taxes — If you were a resident of the City of New York or City of Yonkers for the taxable year and you have to file a New York State return, report your City of New York income tax or your City of Yonkers resident income tax surcharge on your state return.

If you were not a resident of the City of New York or City of Yonkers but earned wages or self-employment income there, you may have to figure your nonresident earnings tax on Form NYC-203 or Form Y-203 and attach it to your New York State return.

For more information on the City of New York and City of Yonkers nonresident earnings taxes, see page 7 of these instructions.

Who Should File

Even if you do not have to file a return, you should file to get a refund if New York State, City of New York or City of Yonkers income taxes were withheld from your pay.

You may also be eligible for a refund if you are qualified to claim the real property tax credit. If you qualify, file Form IT-214 to claim the refund for this credit. For more information on the real property tax credit, see page 5 of these instructions.

Which Form to File

If you have to file a New York State resident return, you may use one of five forms:

You should be able to use Fast Form IT-100 and have us figure your tax if:

- You had income only from wages, salaries, tips, interest and dividends, and unemployment compensation.
- You are claiming the New York standard deduction.
- You were a New York State resident for the entire year.
- You were **not** a part-year resident of the City of New York or City of Yonkers.
- You did **not** earn wages or self-employment income in the City of New York or City of Yonkers while a resident elsewhere.
- You file Fast Form IT-100 not later than April 15, 1987.

You can use Fast Form IT-100 to take the U. S. government bond interest exclusion, the federal individual retirement arrangement (IRA) deductions and the child and dependent care credit. If you are eligible and if they lower your tax, we will automatically give you the household credit, the deduction for a married couple when both work, the family adjustment and the maximum tax benefit. **You cannot take the real property tax credit on Fast Form IT-100.**

You will receive a statement showing how we figured your tax together with your refund for any overpayment over \$1 or a bill for any tax you may owe over \$1. If you are married, we will figure your tax both jointly and separately and apply the lower tax. Fast Form IT-100 cannot be filed for a taxpayer who died before filing a return for 1986.

You should be able to use Retired Persons' Fast Form IT-100-R and have us figure your tax if:

- You had income only from interest, dividends, pensions, annuities and IRA distributions, including rollovers.

- You are claiming the New York standard deduction.
- You were a New York State resident for the entire year.
- You were **not** a part-year resident of the City of New York or City of Yonkers.
- No New York State, City of New York or City of Yonkers tax was withheld from your income.
- You file Retired Persons' Fast Form IT-100-R not later than April 15, 1987.
- You make 1986 estimated tax payments or claim an overpayment credit from your 1985 return.

You can use Retired Persons' Fast Form IT-100-R to claim the exclusions for U.S. government bond interest and pension and annuity income.

If you are eligible and if it lowers your tax, we will automatically give you the family adjustment, household credit and the maximum tax benefit. **You cannot take the real property tax credit on Retired Persons' Fast Form IT-100-R.**

You will receive a statement showing how we figured your tax together with your refund for any overpayment over \$1 or a bill for any tax you may owe over \$1. If you are married, we will figure your tax both jointly and separately and apply the lower tax. If you tell us to, we will apply your overpayment to your 1987 estimated tax instead of sending you a refund.

Retired Persons' Fast Form IT-100-R cannot be filed for a taxpayer who died before filing a return for 1986.

You should be able to use Student Fast Form IT-100-S and have us figure your tax if:

- You are a dependent of your parents or a legal guardian.
- You had income only from wages, salaries, tips, interest and dividends.
- You are claiming the New York standard deduction.
- You were a New York State resident for the entire year.
- You were **not** a part-year resident of the City of New York or City of Yonkers.
- You did **not** earn wages or self-employment income in the City of New York or City of Yonkers while a resident elsewhere.
- You are a single student with no dependents.
- You file Student Fast Form IT-100-S not later than April 15, 1987.

You can use Student Fast Form IT-100-S to claim the U. S. government bond interest exclusion. If you file Student Fast Form

4 General Information

IT-100-S, we will figure your tax allowing the \$2,600 standard deduction and one \$850 personal exemption. We cannot allow you a household credit, however, because you must be a dependent to file Student Fast Form IT-100-S, and a dependent cannot claim the household credit. **You cannot take the real property tax credit on Student Fast Form IT-100-S.**

You will receive a statement showing how we figured your tax together with your refund for any overpayment over \$1 or a bill for any tax you may owe over \$1.

Student Fast Form IT-100-S cannot be filed for students who died before filing a return for 1986.

You should be able to use Form IT-200 if:

- Your New York **taxable** income is less than \$30,000.

(If you are married and your combined New York **taxable** income is less than \$30,000, you can file a joint return on Form IT-200.

However, your tax may be lower if you file **Fast Form IT-100, Retired Persons' Fast Form IT-100-R or Form IT-201** — see *Joint and Separate Returns for Married Taxpayers* on this page.

- You had income only from wages, salaries, tips, interest and dividends.
- Your interest and dividend income was \$1,200 or less after subtracting any allowable federal dividend exclusion.
- You are claiming the New York standard deduction.
- You were a New York State resident for the entire year.
- You were **not** a part-year resident of the City of New York or City of Yonkers.
- You can claim the federal individual retirement arrangement (IRA) deduction, deduction for a married couple when both work, family adjustment and the NYS child and dependent care credit. You can also claim the New York household credit and the real property tax credit (for details about the state credits, see page 16 of these instructions).

Note: If you file Form IT-200, you will find your tax on a table that includes the maximum tax benefit. For more information, see the instructions for Form IT-200.

You may want to use Form IT-201 and you may pay less tax if:

- You had any income that is subject to federal tax but exempt from New York State income tax. Examples of this type of income are U. S. government bond interest and pension and annuity income. However, both types of income in this example can be excluded on Retired Persons' Fast Form IT-100-R.
- You itemized deductions on your federal return and can claim the New York itemized deduction.

- You can claim any of these New York tax credits:
 - Resident credit
 - Accumulation distribution credit
 - Investment credit or retail enterprise credit
 - Special additional mortgage recording tax credit
 - Solar and wind energy credit carryover
 - Research and development credit

See Publication 386, *Available Tax Credits*.

You must use Form IT-201 if:

- You had income (other than wages, salaries, tips, interest and dividends and unemployment compensation) subject to New York State income tax.
- You are married and filed separate federal returns.
- You are filing federal Form 1040 and are claiming any of these federal adjustments to income:
 - Moving expenses
 - Employee business expenses
 - Payments to Keogh (H.R. 10) retirement plan and self-employed SFP deduction
 - Penalty on early withdrawal of savings
 - Alimony paid
- You received any income that is exempt from federal income tax but is subject to New York State income tax (such as interest income on state and local bonds other than New York).
- You have New York adjustments. However, the adjustments (subtractions) for U.S. government bond interest and pension and annuity income can be claimed on Retired Persons' Fast Form IT-100-R, and the U. S. government bond interest exclusion can be claimed on Fast Form IT-100 or Student Fast Form IT-100-S. (For information on New York adjustments, see the instructions on page 11.)
- You are claiming the New York itemized deduction.
- You are subject to any of these taxes:
 - Minimum income tax
 - Separate tax on PASS funds
 - Separate tax on lump sum distributions
 - Add-back of investment credit or retail enterprise credit on early dispositions
 - Add-back of research and development credit on early dispositions
 - Part-year City of New York resident tax
 - Part-year City of Yonkers resident income tax surcharge
- You are claiming a 1986 estimated tax payment or an overpayment credit from your 1985 return, unless you are filing Form IT-100-R.
- You want to apply any part of your 1986 overpayment to your estimated tax for 1987, unless you are filing Form IT-100-R.
- You were a New York State, City of New York or City of Yonkers resident for only part of the year. See IT-360-1, *Instructions for Form IT-360*. If you changed your City of

New York or City of Yonkers residence, but not your New York State residence, see IT-360.1-1, *Instructions for Form IT-360.1*.

- You are filing for a taxable period other than the calendar year January 1 through December 31, 1986.
- You need an extension of time to file your return.

Automatic Equipment Used to Process Your Return

We are using automatic processing equipment to reduce costs and process your return more efficiently. If you fill in your own return, please use an original form (not a photocopy).

Joint and Separate Returns for Married Taxpayers

If you each have total New York income that is more than the number of your exemptions multiplied by \$850, you will usually pay less tax if you file separate New York State income tax returns.

The way you filed your federal income tax return determines the way you file your New York State income tax return.

If you filed a joint federal return (or if neither of you had to file a federal return):

- You can file a joint New York State return on Fast Form IT-100, Retired Persons' Fast Form IT-100-R, Form IT-200 or Form IT-201, or
- You can file separate New York State returns on the **same form** (Fast Form IT-100, Retired Persons' Fast Form IT-100-R or Form IT-201).

Filing separate returns will usually result in a lower New York tax. However, the federal deduction for a married couple when both work **cannot** be claimed on separate New York returns. In some cases, your tax may be less if you file a joint New York State return and claim the federal deduction for a married couple when both work and the New York State family adjustment. You may want to figure your tax both ways to see which results in the lower tax. If you file Fast Form IT-100 or Retired Persons' Fast Form IT-100-R, we will figure your tax both ways and give you the lower tax.

If you filed separate federal returns, you must each file a separate New York State Form IT-201.

If one spouse was a New York State resident for the entire taxable year and the other was a nonresident for the entire taxable year, each spouse must file a separate New York State return using resident Form IT-201 or nonresident Form IT-203, whichever applies. However, a husband and wife may file a joint state return if they have filed a joint federal return and if they both file as New York residents for the entire taxable year.

If either spouse changed residence, to or from New York State during the taxable year, you cannot file Fast Form IT-100, Retired Persons' Fast Form IT-100-R or Form IT-200. See Form IT-360, *Change of Resident Status*, and IT-360-I, *Instructions for Form IT-360*.

City Taxes — If you file a joint New York State return and one of you was a resident of the City of New York or City of Yonkers all year and the other was a nonresident all year, you can file jointly or separately for city income tax purposes. If you file jointly for the City of New York or City of Yonkers, you must both file as residents for the entire taxable year.

For more information, see Publication 384, *Income Tax Information for Married Couples*.

When to File

File your return as soon as you can after January 1, 1987, but not later than **April 15, 1987**. If you file late, you may have to pay penalties and interest. See *Penalties and Interest* on page 6 of these instructions.

Extension of time to file — If you know that you cannot meet the April 15 deadline, ask for an extension of time by filing Form IT-370, *Application for Automatic Extension of Time to File*. The time to file will be automatically extended for four months if you file Form IT-370 on time and pay the tax you owe with it. If you do not expect to owe any tax and you are filing Form 4868 to extend the time to file your federal return, you can also use a copy of it to extend the time to file your New York return instead of filing Form IT-370. Write "NY State Copy" in the top margin and mail it to: New York State Income Tax, W.A. Harriman Campus, Albany, NY 12227-0125.

When you file, you must use Form IT-201; you cannot file Fast Form IT-100, Retired Persons' Fast Form IT-100-R, Student Fast Form IT-100-S or Form IT-200.

If you are traveling or living outside the United States on April 15, 1987, you are automatically granted an extension to June 15, 1987, to file your federal and state returns. For more information, see Publication 362, *U.S. Citizens Abroad*.

Where to File

Use the preaddressed envelope that came with your tax packet. If you do not have one, address your envelope —

For refund returns:

New York State Income Tax
W.A. Harriman Campus —
REFUND '86
Albany, NY 12227-0125

For all other returns:

New York State Income Tax
W.A. Harriman Campus
Albany, NY 12227-0125

Tuition Deduction

Parents may deduct part of the tuition paid (up to \$1,000) for each dependent in full-time attendance at a college located in New York

State. To claim this deduction, fill in Form IT-270, *Tuition Deduction and Higher Education (PASS) Funds*, and attach it to your return. For more information, see Publication 320, *Tuition Deduction and the PASS Plan*.

The PASS Plan

A parent who established a PASS fund for his children's future college education can deduct both the amount contributed to the fund (up to \$750 for each child) and the earnings from the fund. To claim the PASS fund deduction, fill in Form IT-270 and attach it to your return. For more information, see Publication 320, *Tuition Deduction and the PASS Plan*.

Maximum Tax on Personal Service Income

If your taxable income includes more than \$16,000 of personal service income (wages, salaries, professional fees, bonuses, etc.), you may qualify for a maximum tax benefit.

Complete Form IT-250, *Maximum Tax on Personal Service Income*, to figure your maximum tax and attach it to your return. See page 2 of Form IT-250 for definitions and for line-by-line instructions. If Form IT-200 or Fast Form IT-100, IT-100-R or IT-100-S is filed, you will be given the maximum tax benefit.

Household Credit

If you are single, with household gross income of \$28,000 or less and cannot be claimed as a dependent on another taxpayer's federal return, you qualify for a \$20 to \$75 household credit.

If you are married, a qualifying widow(er) with a dependent child, or a head of household with qualifying person, with household gross income of \$32,000 or less and cannot be claimed as a dependent on another taxpayer's federal return, you qualify for a household credit of \$15 to \$75 plus \$5 to \$15 for each exemption you claim on your return.

For more information, see page 16 of these instructions.

Real Property Tax Credit

If you are a New York State resident and if your household gross income was \$18,000 or less, you may be entitled to a state tax credit for a part of the real property taxes or rent you paid during the year. Qualified persons 65 or older can claim a credit of up to \$375. For qualified persons under 65, the maximum credit is \$75. To claim the credit, complete Form IT-214, *Claim for Real Property Tax Credit*, and attach it to your return.

If you do not have to file an income tax return, you may still claim the credit by filing only Form IT-214.

For more information, see *Instructions for Form IT-214* on page 25, and Publication 308, *Real Property Tax Credit for Homeowners and Renters*.

Wage and Tax Statement(s)

Your employer must give you a wage and tax statement — either federal Form W-2 or New York State Form IT-2102. This statement shows your total earnings and the amount of New York State, City of New York and City of Yonkers taxes withheld from your pay during the year.

If you received periodic annuity, pension, retired pay or IRA payments and New York State income tax was withheld, the payer must give you a statement, either federal Form W-2P or New York State Form IT-2102P. This statement shows the amount of your gross and taxable retirement plan payments, and the New York State, City of New York and City of Yonkers taxes withheld from your payments during the year.

You must attach Copy 2 of your wage and tax statement(s) to your return. If you have not received your statement(s) by February 16, 1987, or if it is incorrect or lost, contact your employer.

Whole Dollar Amounts

You may round all money items on your return to the nearest dollar. For example, round \$10.49 to \$10; round \$10.50 to \$11. If you round to the nearest dollar, round for all amounts.

Death of Taxpayer

An executor, administrator or spouse has to file a New York State return for a taxpayer who died before filing a return for 1986. If a joint federal income tax return was filed for the deceased taxpayer and the surviving spouse, a joint New York State return can be filed on Form IT-200 or Form IT-201, or separate New York returns can be filed on Form IT-201. Fast Form IT-100, Retired Persons' Fast Form IT-100-R or Student Fast Form IT-100-S cannot be filed for a taxpayer who died before filing a return for 1986.

Complete the box labeled "If taxpayer is deceased" in the name and address area of Form IT-201 by entering the decedent's first name and the date of death.

Paid Preparers Must Sign Your Return

Anyone you pay to prepare your return must sign it and fill in the other blanks in the paid preparer's area of your return. The preparer required to sign your return must sign it by hand; signature stamps or labels are not acceptable. If someone prepares your return and does not charge you, that person should not sign it.

Paid tax return preparers should be familiar with their responsibilities. They should get Publication 50, *Information for Paid Preparers of New York Income Tax Returns*, for more details.

Payments of Estimated Tax

If you expect your 1987 tax withheld to be less than 80% of your 1987 tax and less than 100% of your 1986 tax (based upon a return covering 12 months), you may have to pay estimated tax. You do not have to pay estimated tax if you expect to owe less than \$100 of either New York State, City of New York or City of Yonkers tax after deducting tax withheld and credits that you are entitled to claim. See Form IT-2105, *New York State, City of New York and City of Yonkers Estimated Income Tax*, for more information.

If you paid estimated tax for 1986, you will automatically receive a 1987 estimated tax packet in the mail. If you did not pay estimated tax for 1986, or do not receive your packet by the date your first payment is due (generally April 15), call or write us for forms and instructions. See *Forms and Assistance* on page 8 of these instructions.

Penalties and Interest

Interest — Daily compounded interest will be charged on income tax that is not paid on or before April 15, 1987, even if you received an extension of time to file your return.

If we have to pay interest to you because we didn't issue your refund check by July 15, 1987 (or, if your return was filed after April 15, 1987, within 3 months from the date it was filed), it also will be compounded daily. However, we will not pay interest to you if your return cannot be processed. To be processed, your return must show your name, address, social security number, signature and the information needed to mathematically verify your tax liability.

Late filing penalty — If you file late, you will be charged a penalty of 5% of the tax due for each month, or part of a month, the return is late (maximum 25%) unless you extend the time to file, or you attach to your return an explanation showing reasonable cause for the delay. If your return is more than 60 days late, the penalty will not be less than \$100 or 100% of the balance of tax due on your return, whichever is less. For information on filing an application for an extension of time to file your return, see *When to File* on page 5 of these instructions.

Late payment penalty — If you do not pay your tax when due, you will be charged a penalty of ½ of 1% of the unpaid amount for each month or part of a month it is not paid. This penalty is in addition to the interest charged for late payments.

This penalty may not be charged if you attach to your return an explanation showing reasonable cause for paying late.

Substantial understatement of liability — If you substantially understate your tax liability, you may have to pay a penalty of 10% of any tax you owe that results from your

difference between the correct tax and the tax shown on your return. You are considered to have substantially understated your tax if the understatement is more than 10% of the tax required to be shown on your return or \$2,000 (whichever is greater).

Underpayment of estimated tax penalty — If your 1986 withholding and estimated tax payments do not equal at least 80% of your 1986 tax or 100% of your 1985 tax (based upon a return covering 12 months), you may be subject to a penalty for underpayment of estimated tax. Attach Form IT-2105.9, *Underpayment of Estimated Income Tax by Individuals*, to show how you figured the penalty, or which exceptions to the penalty apply. For more information, see the instructions for Form IT-2105.9.

Negligence penalty — If your return does not show all of the tax imposed under the Tax Law, its rules or regulations, due to negligence or intentional disregard but not with intent to defraud, you will be charged a penalty of 5% of any deficient amount. In addition, 50% of the interest due on any underpayment resulting from negligence will be added to your tax.

Fraudulent returns — If any part of a deficiency is due to fraud, you will be charged a penalty of 50% of the deficiency. In general, a deficiency is the difference between the correct tax and the tax shown on your return. In addition, 50% of the interest due on any deficiency resulting from a fraudulent act will be added to your tax.

Frivolous returns — A penalty of up to \$500 will be imposed on any person who files a frivolous tax return. A return is considered frivolous when it does not contain information needed to judge the correctness of the tax return, or reports information that is obviously and substantially incorrect, and intended to delay or impede the administration of Article 22.

Changes in Your Federal Income Tax

If the Internal Revenue Service changes the taxable income, tax preference items, total taxable amount or ordinary income portion of a lump sum distribution, or credit for child and dependent care expenses that you reported on your federal return, you must report this change to the New York State Tax Department within 90 days after the date the IRS makes its final determination. To report changes, complete Form IT-115 and, if necessary, Forms IT-115.1 (minimum income tax) and IT-115.3 (separate tax on lump sum distributions).

If, in addition to reporting federal changes, you are making some other change to your state return, you must file Form IT-201-X, *Amended Resident Income Tax Return*. For more information, see *Amended Returns* below.

File these forms separately; do not attach them to any other returns.

Amended Returns

If you file an amended federal return showing a change in your taxable income, tax preference

items, total taxable amount or ordinary income portion of a lump sum distribution, or credit for child and dependent care expenses, you must also file an amended New York State return within 90 days of the date you amend your federal return.

You must also file an amended return to correct any error on your original state return. If you have Internal Revenue Service changes in addition to New York errors, report both on Form IT-201-X.

To amend your 1986 return, you must use 1986 Form IT-201-X. Since we cannot act on your amended return until we have completed the processing of all original returns, there may be some delay in processing your amended return. If you need forms, see *Forms and Assistance* on page 8 of these instructions.

For more information, see Publication 380, *How to Amend Your New York State Income Tax Return*.

Members of the Armed Forces

If you are a member of the military and a New York State resident, the amount of your military pay that is subject to federal income tax is also subject to New York income tax.

If your permanent home (domicile) was in New York State when you entered the military but you were assigned to duty outside the state, you are still a New York State resident. You can file Fast Form IT-100, Form IT-200 or Form IT-201 if you meet the conditions listed under *Which Form to File* on page 3 of these instructions, even if you are presently serving outside New York.

If your permanent home (domicile) was in New York State when you entered the military but you meet the conditions for **nonresident** status, your military pay is not subject to New York income tax. For more information, see Publication 361, *Military Personnel and Veterans*.

City Taxes — If you were a City of New York or City of Yonkers resident when you entered the military and if your military pay is subject to New York State income tax, it is also subject to City of New York or City of Yonkers taxes. However, if you meet the conditions for nonresident status, your military pay is not subject to the City of New York or City of Yonkers nonresident earnings tax.

Resident and Nonresident Defined

You may have to pay income tax as a New York State resident even if you are not considered a resident for other purposes. For income tax purposes, your resident status depends on where you were domiciled and where you maintained a permanent place of abode during the taxable year.

In general, your *domicile* is the place that you intend to have as your permanent home — the place you intend to return to whenever you may be away. For income tax purposes, your domicile is the state where your permanent home is located.

You can have only one domicile. Your domicile does not change until you move to a new location with the sincere intention of making your permanent home there. If you move to a new location but intend to stay there only for a limited amount of time (no matter how long), your domicile does not change.

A *permanent place of abode* is a residence you permanently maintain, whether you own it or not, and usually includes a residence your spouse owns or leases. A place of abode is not permanent if you maintain it only during a temporary or limited period of time for a particular purpose.

Resident — You are a New York State resident if:

- a) Your domicile is not New York State but you maintain a permanent place of abode in New York and spend *184 days or more* in New York during the taxable year. However, if you are a member of the armed forces, and your domicile is not New York State, you are not a resident under this definition; or
- b) Your domicile is New York State unless you meet **all three** of the conditions in either Group A or Group B as follows:

Group A

- 1) You did not maintain any permanent place of abode in New York State during the taxable year; and
- 2) You maintained a permanent place of abode outside New York State during the entire taxable year; and
- 3) You spent *30 days or less* in New York State during the taxable year.

Group B

- 1) You were in a foreign country for at least 450 days during any period of 548 consecutive days; and
- 2) You spent *90 days or less* in New York State during this 548 day period, and your spouse (unless legally separated) or minor children spent *90 days or less* in New York during this 548 day period in a permanent place of abode maintained by you; and
- 3) During any period of less than one year which is in this 548 consecutive day period, (which would be treated as a separate taxable period as a result of a change of resident status during the year), you were in New York State for no more than the number of days bearing the same ratio to 90 as the number of days in the less-than-one-year-period bears to 548 days. Your status is determined by the following formula:

No. of days in the less-than-one-year-period

$$\frac{\text{548}}{\text{648}} \times 90 =$$
(No. of days not to be exceeded in NY to meet this condition.)

Nonresident — You are a New York State nonresident if you do not meet the above definition of a resident. For more information on nonresidents, see the instructions for Form IT-203 and Publication 362, *U.S. Citizens Abroad*.

City Nonresident Earnings Taxes (Cities of New York and Yonkers)

If you are not a resident of the City of New York or City of Yonkers but you earned wages or self-employment income in either or both of these cities and you have to file a New York State income tax return, you must also file Form NYC-203, *City of New York Nonresident Earnings Tax Return*, and/or Form Y-203, *City of Yonkers Nonresident Earnings Tax Return*.

If you are married, you cannot file jointly on Form NYC-203 and/or Form Y-203. If you each have taxable earnings, you must each file a separate Form NYC-203 and/or Form Y-203.

Form NYC-203 and Form Y-203 are due the same time as your state return and must be attached to it. For more information, see the instructions for these forms.

Part-Year Residents

If you became a New York State resident or moved out of New York during the year, you may have to pay the New York State income tax for that part of the taxable year you were a New York resident. If you received income from New York State sources during the time you were a nonresident, you may also be subject to tax.

If you changed your resident status, you may have to file both a resident return (Form IT-201) and a nonresident return (Form IT-203) for the taxable year.

You will also have to complete Form IT-360, *Change of Resident Status*, and attach it to your New York returns. For more information, see IT-360-I, *Instructions for Form IT-360*.

City Taxes — If you changed your City of New York or City of Yonkers resident status during the year, but not your New York State resident status, you may have to complete Form IT-360.1, *Change of City Resident Status*, and pay a part-year City of New York resident tax or City of Yonkers resident income tax surcharge for the part of the year that you lived in the City of New York or City of Yonkers. If you earned wages in one of these cities or conducted a trade or business there (either as an individual or a member of a partnership) during the part of the year that you were not a City of New York or City of Yonkers resident, you must complete Form NYC-203, *City of New York Nonresident Earnings Tax Return*, or Y-203, *City of Yonkers Nonresident Earnings Tax Return*, and pay any tax due. For more information, see IT-360.1-I, *Instructions for Form IT-360.1*.

Partnerships

Partnerships are not subject to the New York State personal income tax but individual members of the partnership are. If your partnership has a partner who is a New York State resident or if the partnership has any

income from New York State sources, it must file Form IT-204, *New York State Partnership Return*. If you were a partner, transfer your share of income (or loss), deductions and adjustments from Form IT-204 to your Form IT-201. For more information, see the instructions for Form IT-204.

Estates and Trusts

Estates and trusts are subject to the New York State personal income tax. The fiduciary for an estate or trust must file Form IT-205, *New York State Income Tax Fiduciary Return*. Each beneficiary of an estate or trust must include his share of the estate or trust income on his Form IT-201. If you have income from an estate or trust, any New York additions or subtractions which apply to that income and any New York additions to or subtractions from federal itemized deductions must be included in your share of a single fiduciary adjustment.

Name and Social Security Number on Forms

You must enter your name and social security number on all forms and schedules you send to us. **If you owe income tax, write your social security number and "1986 income tax" on your check or money order.**

Privacy Notification

The authority to request this personal information from you or your employer, including identifying numbers (Social Security numbers, etc.), is found in Sections 651, 652, 658, 697, 1300, 1332 and 1342, Articles 22, 30, 30-A and 30-B in general of the Tax Law, Article 2-E of the General City Law, and Part 152 of the Personal Income Tax Regulations. The principal purpose for which the information is collected is to assist the Department of Taxation and Finance in determining New York State personal income tax liabilities under Article 22 of the Tax Law, New York City personal income tax liabilities under Article 30 of the Tax Law and Article 2-E of the General City Law, and City of Yonkers income tax surcharge on residents and earnings tax on nonresidents under Articles 30-A and 30-B of the Tax Law. The authority to maintain this information is found in Section 697(e) of the Tax Law and Section 152.8 of the Personal Income Tax Regulations.

The information will be used for tax administration purposes and as necessary under Tax Law Sections 171-a, 171-b, 171-c, 171-d, 171-e and 697 and for any other purpose authorized by law, and when the taxpayer gives written authorization to this department for another department, person, agency or entity to have access, limited or otherwise, to information contained in their return.

Failure to provide the requested information may result in civil penalties under Section 685, 1312, 1332 and 1342 of the Tax Law and/or criminal penalties under Article 27 of the Tax Law.

8 General Information

This information will be maintained by the Director, Accounting and Records Management Bureau, Processing Division, Department of Taxation and Finance, W. A. Harriman Campus, Building 8, Room 905, Albany, New York 12227-0125, telephone 1-800-342-3536; outside New York State (518) 438-8581.

Federal/State Tax Agreement

Under authority of federal and New York State laws, the New York State Department of Taxation and Finance and the Internal Revenue Service have entered into a federal/state agreement for the mutual exchange of tax information.

Other Forms You May Have to Use

Form IT-201-ATT, Summary of Other Credits and Taxes. Complete this form if you are subject to any other New York State or City of New York taxes. You can also use this form to claim other New York State credits. For more information, see *Instructions for Form IT-201-ATT* on page 23.

Form IT-220, Minimum Income Tax.

Complete this form if you had a net long-term capital gain, claimed accelerated depreciation or amortization of certain facilities, dividend exclusion or had other tax preference items totaling more than \$5,000 (\$2,500 if you are married and filing separately). You may have to file Form IT-220 even if you are not required to file federal Form 6251, *Alternative Minimum Tax Computation*. For more information, see the instructions for Form IT-220.

Form IT-221, Disability Income Exclusion.

Complete this form to figure the amount of your disability income that may be excluded from income on Form IT-201. To qualify you must have retired due to permanent and total disability and have not reached age 65 when your tax year ended. For more information, see Form IT-221.

Forms IT-230 and IT-230.1, Separate Tax on Lump Sum Distributions. Complete Form IT-230 or IT-230.1 if you have to pay a separate tax on the ordinary income portion of a lump sum distribution from a qualified retirement plan. For more information, see the instructions for Forms IT-230 and IT-230.1.

Form IT-270, Tuition Deduction and Higher Education (PASS) Funds. Complete this form to claim deductions for tuition expenses and contributions to a PASS (parents' and students' savings) fund. Also use this form to report PASS fund distributions and terminations. For more information, see Publication 320, *Tuition Deduction and the PASS Plan*.

Form IT-399, New York State Depreciation. Complete this form if you are an individual, partnership, estate or trust to figure your New

beginning in 1981, 1982, 1983, 1984 and for property placed in service outside New York State in taxable years beginning after December 31, 1984; the adjustment for the federal ACRS deduction and the year of disposition adjustment. For more information, see Form IT-399.

Important Note: If the election was made to expense recovery property on federal Form 4562, and you check filing status ③ or ④ see specific instructions on Form IT-399.

Computer Filled-In Returns

If you use a computer to fill in your return, be sure you meet these requirements:

- You must use the official income tax forms that we provide. However, you may computer-generate any form that is **not listed below** as long as it is substantially identical to the official form. Income tax forms that you **cannot** computer-generate are IT-100, IT-100-R, IT-100-S, IT-115, IT-200, IT-201, IT-201-X, IT-203, IT-204, IT-205, IT-214, IT-370, IT-372, NYC-203, Y-203, Y-204, NYC-206 and Y-206.
- Your software must conform to current federal and state income tax laws. Last year's program may not be suitable unless it has been updated.

IT-200 Tax Tables and the Maximum Tax Benefit

The IT-200 state tax table allows taxpayers with taxable incomes from \$16,000 to less than \$30,000 to file Form IT-200 instead of Form IT-201 and maximum tax Form IT-250.

This was made possible by using the maximum tax rate, a benefit that limits the highest rate on your personal service income to 9.5%. However, since average amounts of taxable income and interest and dividends were used in figuring the tax in the table, it may vary from your exact tax by an average of plus or minus \$5. In some extreme cases, it may vary by as much as \$10. If you choose not to use the tax table, you cannot file Form IT-200. You must file Fast Form IT-100, Retired Persons' Fast Form IT-100-R, Student Fast Form IT-100-S or Form IT-201 and maximum tax Form IT-250 instead.

Since the maximum tax benefit does not apply to the City of New York tax, the variation mentioned above does not apply to the City of New York tax table.

Forms and Assistance

You can get **forms and publications** at many banks and public libraries, or by using the *New York Income Tax Forms Order Blank* in the tax packet mailed to you. You can also get forms by calling toll-free 1-800-462-8100. From areas outside New York State, call (518) 438-1073.

For **information** or answers to your New York State tax questions, call toll-free 1-800-342-3536. From areas outside New York State, call (518) 438-8581. Telephone assistance is available from 8 a.m. to 5 p.m. Monday through Friday. To make sure that Tax Department employees give courteous responses and correct information to taxpayers, a second Tax Department employee sometimes monitors telephone calls. No record is kept of any taxpayer's name, address or social security number.

If you have a question about the status of your refund check, see *When to Call About Your Refund* below.

If you want to write instead of calling, address your letter to **New York State Tax Department, Taxpayer Assistance Bureau, W. A. Harriman Campus, Albany, NY 12227-0125**.

When to Call About Your Refund

Generally, early filers get their refund checks first. However, if you file after April 1, you may not receive your refund check for at least 12 weeks. If you have to call to ask where your refund check is, please wait until after April 15; then call toll-free 1-800-443-3200. From areas outside New York State, call (518) 438-6777.

Need Help?

We will answer your tax questions if you call us (see *Forms and Assistance* on this page), but we cannot fill in your return for you.

You can get help filling in your return from:

- Volunteer Income Tax Assistance (VITA) and Tax Counseling for the Elderly (TCE). Volunteers will give free help to lower income, elderly, handicapped and non-English speaking individuals. Watch for VITA and TCE information in your community or call the toll-free telephone number (1-800-342-3536) for the location of the volunteer assistance site near you.
- Senior Citizens Centers, contact center for dates and times.
- Social Service Agencies.

Trying to Resolve a Problem With the Tax Department?

New York State has a Problem Resolution Program for taxpayers who have been unable to resolve a problem with the Tax Department. If you have a tax problem and have made **two or more** attempts to resolve it without success, you may seek help from one of our Problem Resolution Officers (PROs).

You may call or write to the PRO serving your area. You can get the address and telephone number by calling us (see *Forms and Assistance* on this page).

Steps for Preparing Your Return

Prepare your federal return first; much of the information on your New York State return will be the same. In many cases when New York State and federal tax laws are similar, the New York instructions do not repeat all the requirements, but instead, explain the differences.

Before you start Form IT-201, see *Which Form to File* on page 3 of these instructions to see if you can file Form IT-200 or one of the Fast Forms IT-100, IT-100-R or IT-100-S

Step 1

Get all forms, schedules and publications you need.

If you need any forms or publications, see *Forms and Assistance* on page 8.

Step 2

Get your tax records together.

If you received a salary or wages, get all your 1986 wage and tax statements together. These can be either New York Form IT-2102 or federal Form W-2. Only your employer can issue or correct these forms. If you have not received your wage and tax statements by February 16, or if the form you received is incorrect, contact your employer.

If you had tax withheld from annuities, pensions, retired pay or IRA payments, get together all of your New York Form(s) IT-2102P or federal Form(s) W-2P.

If you plan to take any credits or deductions, get all the supporting information and records you will need.

If you paid income taxes to another state, get a copy of the income tax return you filed with that state.

If you made payments during the year for your New York State, City of New York or City of Yonkers estimated tax, check your payments or credits that were applied to your 1986 tax year.

Step 3

Fill in your return.

Fill in your return using the line-by-line instructions for Form IT-201 that begin below or the instructions for Fast Form IT-100 that begin on page 29. (Separate line-by-line instructions are available for Form IT-200 and Retired Persons' Fast Form IT-100-R and Student Fast Form IT-100-S. See *Forms and Assistance* on page 8.) Then continue with *Step 4* on page 20.

Line-by-Line Instructions — Form IT-201

All information on your return, except for your mailing address, should be for the calendar year January 1 through December 31, 1986, or for your fiscal year. If you are filing for a fiscal year, enter the month and day your tax year began, and the month, day and year that it ended at the top of page 1. Make your entries in the **white** areas of Form IT-201.

Name and Address Box

Do not write in this box or attach your mailing label until you have completed and checked your return.

Step 5 on page 20 of these instructions will tell you how to complete this section of your return.

Item A

Filing Status

Show your filing status by checking only **one** box. If you filed a federal return, you must use the same filing status for your state return. **However, if you are married and filed a joint federal return, you can file your state return either jointly or separately on one Fast Form IT-100, IT-100-R or Form IT-201.** See *Joint and Separate Returns for Married Taxpayers* on page 4 of these instructions.

Item B

Can you be claimed as a dependent?

If you can be claimed as a dependent on another taxpayer's federal return, check the **Yes** box. If not, check the **No** box.

Item C

Part-year residents

If you were a New York State resident for only part of the year, enter in the box the **number of full months** that you were a New York State resident. Count as a full month any period of more than one-half month; do not count a period of one-half month or less. If you

changed your resident status, complete Form IT-360 and attach it to your Form IT-201. For more information, see *Part-Year Residents* on page 7 of these instructions.

Item D

Do you want a tax packet (IT-201-P) sent to you next year?

Many taxpayers who pay others to prepare their returns do not use the income tax packets mailed to them each year. If you do **not** need a packet mailed to you next year, check the box.

The Tax Department will then send you a mailing label which you or your tax preparer should use on your 1987 return.

By telling us that you do not need a packet next year, you will help reduce printing and mailing costs.

Which Columns To Fill In

Form IT-201 has three columns where entries can be made.

If you checked filing status ①, ②, ④ or ⑤, enter the items in column A as they appear on your federal return.

If you checked filing status ③, enter the items in the federal amount column as they appear on your federal return, and also in columns A and B as if you filed separate federal returns. If the line 18 total of columns A and B does not equal the total of the federal amount column, attach an explanation.

If an item of income is from jointly owned property, divide that income equally. For example, if the federal amount column includes interest income of \$100 from a savings account in your spouse's name only, enter the entire \$100 in your spouse's column. If the \$100 interest income is from a joint savings

account, enter \$50 in your column and \$50 in your spouse's column.

If you do not have to file a federal return, get the information you need to complete the columns that apply from your wage and tax statements or other income statements.

Federal Income and Adjustments

Line 1

Wages, salaries, tips, etc.

Enter the total of all wages, salaries, fees, commissions, bonuses, tips, fringe benefits, etc., reported on your 1986 federal return. Include all wages, salaries, fringe benefits and tips even if they were not reported by your employer on a wage and tax statement.

Line 2

Interest income

Enter the interest income reported on your federal return.

Line 3

Dividends (after exclusion)

Enter the dividend income reported on your federal return after subtracting any allowable federal exclusion.

If you checked filing status ③ and if you are both entitled to a federal exclusion on your joint federal return, you may each claim only your own federal exclusion in figuring the amount of dividends you enter in your column.

Line 4

Taxable refunds of state and local income taxes

Enter the total taxable state and local income tax refunds included as income on your federal return. Also enter this amount on line 25.

Line 5

Alimony received

Enter the total alimony received as reported on your federal return.

Line 6

Business income or (loss)

Enter your business income or (loss) reported on your federal return and attach a copy of your federal Schedule C.

Line 7

Capital gain or (loss)

Enter your net capital gain or (loss) from the sale or exchange of property, including securities, as reported on your federal return. Attach to your state return a copy of federal Schedule D and any related schedules.

If you checked filing status **③**, determine the amounts to be entered in columns A and B as if you had each filed a separate federal return. **Note: In this case, the capital loss each spouse may claim is limited to \$1,500.** Also, there is a possibility that the total of columns A and B, line 7, will not equal what you entered in the federal amount column, line 7. In this case, prepare separate worksheets on federal Schedule D to show the amounts you enter in columns A and B. For example, if you have a long-term capital loss of \$2,500 and your spouse had a short-term capital gain of \$1,600, you would report a net capital loss of \$450 on your joint federal income tax return. This net capital loss of \$450 would also be entered in the federal amount column of your New York return. After completing separate worksheets, you would enter a capital loss of \$1,250 in your column and a capital gain of \$1,600 in your spouse's column. Since the joint net capital loss of \$450 is deductible on your joint federal return for 1986, there is no capital loss carryover to 1987, whether joint or separate federal returns are filed for 1987. Since the capital loss carryover is the same for both federal and state purposes, no capital loss carryover can be deducted for the 1987 taxable year, even if you and your spouse file separate state returns.

Minimum income tax — If 60% of your net capital gain was more than \$5,000 (\$2,500 if you are married and filing separately), you must file Form IT-220, *Minimum Income Tax*, even if you did not have to file federal Form 6251, *Alternative Minimum Tax Computation*. For more information, see the instructions for Form IT-220.

Line 8

40% of capital gain distributions

Enter the amount reported on your federal return.

Line 9

Other gains or (losses)

Enter the net capital gains or (losses) from the sale or exchange of assets used in a trade or business, as reported on your federal return

Attach a copy of federal Form 4797. If you checked filing status **③**, see line 7 instructions for an explanation of combining capital gains and losses.

Line 10

Fully taxable pensions, IRA distributions and annuities

Enter the amount reported on your federal return that you are not reporting on line 11 that follows.

Line 11

Taxable amount of other pensions and annuities, including rollovers

Enter the amount reported on your federal return.

Lines 12 and 13

Rents, royalties, partnerships, estates, trusts and S corporations

Enter the amounts from federal Schedule E, Form 1040, and attach a copy of your federal Schedule E.

Line 14

Farm income or (loss)

Enter the amount reported on your federal return and attach a copy of your federal Schedule F.

Line 15

Taxable amount of unemployment compensation (insurance)

Enter the taxable amount reported on your federal return.

If you checked filing status **③** and only one of you received taxable unemployment compensation, enter the amount in the column of the spouse who received it. If you both received taxable unemployment compensation, figure the amount to enter in each spouse's column using the following formula:

$$\frac{E}{B} \times F = N$$

where E is unemployment compensation received by each spouse, B is unemployment compensation received by both spouses, F is federal taxable unemployment compensation and N is New York taxable unemployment compensation for each spouse.

Example — You received \$5,500 and your spouse received \$5,000 of unemployment compensation. The combined amount of your taxable unemployment compensation for federal income tax purposes is \$1,250. The amount of taxable unemployment compensation each of you must report for New York income tax purposes is figured as follows:

You	$\frac{\$5,500}{\$10,500}$	X	\$1,250	=	\$655
Your Spouse	$\frac{\$5,000}{\$10,500}$	X	\$1,250	=	\$595

Line 16

Taxable amount of social security benefits

Enter the amount of taxable social security benefits (and tier 1 railroad retirement benefits) reported on your federal return. Also enter this amount on line 26.

Line 17

Other income

Enter the amount reported on your federal return.

Line 18

Total

If you checked filing status **③**, the totals entered in columns A and B, line 18, will usually equal the total entered in the federal amount column, line 18. If they do not, attach an explanation to your return.

Line 19

Total federal adjustments to income

Enter the total adjustments to income reported on federal Form 1040, line 31. These include employee business expenses, IRA deduction and deduction for a married couple when both work, as well as other adjustments. Write each adjustment and its amount in the white area on line 19. If more room is needed, make a list showing each adjustment and its amount, and attach the list to your New York return.

Caution — The deduction for a married couple when both work cannot be claimed on separate New York State returns. If you check filing status **③, do not include the deduction in your line 19 amounts for column A or B.**

If you checked filing status **③**, enter the total of your own adjustments in columns A and B as if you had each filed a separate federal return. However, if you claimed the spousal IRA deduction on your federal return, enter the amount of the IRA deduction that was contributed to each spouse's account in columns A and B respectively. Write each adjustment, its amount and "A" or "B" for the column of entry in the white area on line 19. If more room is needed, make a list for each spouse showing your own adjustments, amounts and column of entry as if you had each filed a separate federal return, and attach these lists to your return.

Line 20

Total income

Subtract line 19 from line 18 and enter the result.

New York Adjustments/ Total New York Income

Enter any of the listed additions to or subtractions from your total income in column A. For more information on additions and subtractions, see Publication 382, *How to Figure Your NY State Additions and Subtractions*.

If you checked filing status **3**, you and your spouse must each enter your own additions and subtractions in columns A and B.

Partners — If you have income from a partnership, include any New York additions and subtractions which apply to that income. Determine your share of partnership additions and subtractions from the partnership return, Form IT-204.

Beneficiaries (estate and trusts) — If you have income from an estate or trust, any New York additions and subtractions which apply to that income, as well as any additions to or subtractions from federal itemized deductions, will be shown in your share of a single fiduciary adjustment. If the adjustment is a net addition, enter this amount on line 23; if the adjustment is a net subtraction, enter this amount on line 30. Identify this item as a "fiduciary adjustment."

S Corporation Shareholders — If you are a shareholder of a federal S corporation, for which the election to be a New York S corporation was in effect for the taxable year, include any of the following additions and subtractions that apply to your **pro rata** share of S corporation items of income, loss or deduction. Additions A-20 and A-21 and subtraction S-25 do **not** apply to you since they apply only to non-electing S corporations. If the election to treat the corporation as a New York S corporation terminated during the taxable year, you must allocate those items (see Publication 382 for more information). Obtain your share of S corporation items of income, loss and deduction from the S corporation's Form CT-3S.

If you are a shareholder of a federal S corporation that did not elect to be a New York S corporation, include only additions A-20 and A-21, and subtraction S-25.

If you were not eligible to make the election to treat your corporation as a New York S corporation because the corporation was not subject to Article 9-A franchise tax, include any of the following additions and subtractions that apply to your **pro rata** share of S corporation items of income, loss or deduction. Additions A-19, A-20, A-21 and A-22, and subtractions S-24 and S-25 do **not** apply to you since they apply only to electing and non-electing New York S corporations.

If gain or loss is recognized on your federal income tax return due to the disposition of stock or indebtedness of an S corporation that did not elect to be a New York S corporation for any taxable year after

December 31, 1980, make addition A-22 or subtraction S-24, whichever applies to you.

You must make the adjustments for the taxable year of the S corporation that ends in your taxable year.

New York Additions

Line 21

Interest income on state and local bonds other than New York State

Enter any interest income on state and local bonds (except those of New York State and its political subdivisions) that you received or that was credited to you during 1986, if not included in your federal adjusted gross income.

Line 22

Accelerated cost recovery system (ACRS) deduction

Enter your accelerated cost recovery system (ACRS) deduction from Form IT-399, line 1, column G (Section 612(b) (25) of the Tax Law). This adjustment must be made for property placed in service during taxable years beginning in 1981, 1982, 1983, and 1984. It also must be made for property placed in service outside New York State in taxable years beginning after December 31, 1984, except for recovery property subject to the provisions of Section 280F of the Internal Revenue Code (such as luxury automobiles).

Line 23

Other additions

Identify any of the following additions that apply to you by writing the item number and the amount of each addition in the white area on line 23. Enter your total other additions on line 23 in column A. If you checked filing status **3**, enter the total of your own additions in column A and the total of your spouse's additions in column B.

A-1 Interest or dividend income received by you or credited to you during 1986, on bonds or securities of any United States authority, commission or instrumentality that federal laws exempt from federal income tax but not from state income tax (Section 612(b) (2) of the Tax Law).

A-2 Income taxes that were deducted from your federal gross income in figuring your federal adjusted gross income (Section 612(b) (3) of the Tax Law). For example, if you operated a business and deducted income taxes from your federal return as an expense of doing business, include these taxes on line 23.

Partners — Include on line 23 your distributable share of income taxes deducted in figuring net income.

A-3 PASS funds — 110 percent of the value of the assets of a higher education (PASS) fund terminated during 1986, from Form IT-270, line 26.

A-4 Beneficiaries (PASS funds) — If you were a beneficiary of a PASS fund and you received distributions from it, include in your

total New York income 20 percent of the total amount you received from the fund in each of the 5 consecutive years following the completion of your higher education (Section 612(b) (14) of the Tax Law). For more information on PASS funds, see Publication 320, *Tuition Deduction and the PASS Plan*.

A-5 Professional service corporation shareholders — Certain employee benefits you received if you were a shareholder of a professional service corporation (including shareholders of professional service corporations organized outside New York State but authorized to conduct business in New York State under Article 15-A of the Business Corporation Law). These benefits include certain corporate contributions to pension, employee annuity, stock bonus, profit sharing or bond purchase plans in excess of \$15,000 or 15% of earned income, whichever is less. They also include 570 percent of your wages from the corporation that are subject to social security taxes, and certain corporate contributions to purchase life insurance, accident or health insurance policies for you (Sections 612(b) (7), (8) and (9) of the Tax Law).

Note: Professional service corporations are required by law to furnish each shareholder with Form IT-2102, I-PC, *Professional Service Corporation Information Return*, reporting payments of the above benefits.

A-6 Interest expense on loans used to buy bonds and securities (whose interest income is exempt from New York State tax) if you made a deduction for this interest expense in figuring your federal adjusted gross income. Amortization of bond premiums whose interest income is exempt from New York State tax and expenses relating to income exempt from New York State tax, if you made a deduction in figuring your federal adjusted gross income, must also be included on line 23 (Sections 612(b) (4) and (5) of the Tax Law).

A-7 The amount of special additional mortgage recording tax that was excluded or deducted in figuring your federal adjusted gross income (Section 612(b) (15) of the Tax Law). For information about the special additional mortgage recording tax credit, see *Instructions for Form IT-201-ATT*, line 5, on page 23 of these instructions.

A-8 The amount of special additional mortgage recording tax you paid when the property for which the tax was paid is sold or disposed of at a gain or loss and the basis of such property was not adjusted for the special additional mortgage recording tax credit (Section 612(b) (16) of the Tax Law). If the gain was considered a long-term capital gain for federal income tax purposes, include on line 23 only 40 percent of the special additional mortgage recording tax credit you claimed. If the loss was considered a long-term capital loss for federal income tax purposes, include on line 23 only 50 percent of the special additional mortgage recording tax credit you claimed.

A-9 Any amount that has to be added to your federal adjusted gross income if you made an election under the Tax Law for addition

12 Instructions for Form IT-201

depreciation or research and development expenditures, waste treatment facility expenditures, air pollution control equipment expenditures or acid deposition control equipment (Section 612(b) (6) of the Tax Law). See subtractions S-15 and S-16 on page 13 of these instructions.

A-10 Any deduction for percentage depletion on mines, oil and gas wells, and other natural deposits made in figuring your federal adjusted gross income (Section 612(b) (10) of the Tax Law). See subtraction S-14 on page 13 of these instructions.

A-11 Amounts required under the Tax Law relating to your distributive or **pro rata** share of allocated entire net income, or your distributive or **pro rata** share of loss included in your federal adjusted gross income, from an insurance business operating as a member of the New York Insurance Exchange (Section 617-a of the Tax Law). See subtraction S-17 on page 13 of these instructions.

A-12 Any gain which would have been realized for New York State tax purposes from the sale or other disposition of property acquired from a decedent and valued by the executor under New York State Law because the estate had an insufficient amount of assets to require the filing of a federal estate tax return (Section 612(b) (17) of the Tax Law).

A-13 Solar and wind energy systems — The amount of New York State solar and wind energy credit you claimed for residential property later sold or disposed of at a gain if the basis of that property included the cost of your energy system (Section 606(g) of the Tax Law). If the gain was considered a long-term capital gain for federal income tax purposes, include on line 23 only 40 percent of the credit you claimed.

A-14 New business investment — Deferral recognition — The amount of capital gain deferred on the sale of a capital asset if the new business investment property is sold and the proceeds are **not** reinvested again in a New York business within 12 months (Section 612(b) (22) of the Tax Law). If only a part of the proceeds were reinvested anew, see Publication 382 for information on figuring your addition.

A-15 Safe harbor leases — The amount that was deducted in figuring your federal adjusted gross income (except for mass transit vehicles) solely because of an election made under Section 168(f) (8) of the Internal Revenue Code, as it was in effect for agreements entered into prior to January 1, 1984 (Section 612(b) (23) of the Tax Law).

A-16 Safe harbor leases — Any amount that would have been included in federal adjusted gross income (except for mass transit vehicles) had the election under Section 168(f) (8) of the Internal Revenue Code, as it was in effect for agreements entered into prior to January 1, 1984, **not** been made (Section 612(b) (24) of the Tax Law).

A-17 Accelerated cost recovery property — Year of disposition adjustment — In the year that you dispose of property, the amount by

York State purposes is greater than your total federal accelerated cost recovery deductions on that property (Section 612(b) (27) of the Tax Law). Use Form IT-399, *New York State Depreciation*, to figure your adjustment. See subtraction S-23 on page 13 of these instructions.

A-18 Tax on petroleum businesses — The amount of gross receipts tax imposed on petroleum businesses under Article 13-A of the Tax Law that was deducted in figuring your federal adjusted gross income (Section 612(b) (28) of the Tax Law).

A-19 S corporation shareholders — If you are a shareholder of an S corporation for which the election to be a New York S corporation is in effect for the taxable year, your **pro rata** share of the corporation's reductions for taxes described in Sections 1366(f) (2) and (3) of the Internal Revenue Code. If such reductions relate to the determination of a federal net capital gain, include only 40 percent of the reductions (Section 612(b) (18) of the Tax Law).

A-20 S corporation shareholders — If you are a shareholder of an S corporation for which the election to be a New York S corporation was **not** in effect for the taxable year, any S corporation loss or deduction taken into account in figuring your federal adjusted gross income pursuant to Section 1366 of the Internal Revenue Code. If such loss or deduction affects the determination of a federal net capital gain, include only 40 percent of the loss or deduction (Section 612(b) (19) of the Tax Law).

A-21 S corporation shareholders — S corporation distributions not included in federal adjusted gross income due to the application of Section 1368, 1371(e) or 1379(c) of the Internal Revenue Code, and not previously subject to New York personal income tax because the election to be a New York S corporation was **not** in effect. Any capital gain arising from such distributions must be treated as ordinary income for purposes of this adjustment (Section 612(b) (20) of the Tax Law). The Internal Revenue Code sections mentioned above refer to distributions, cash distributions during post-termination transition period and distributions of undistributed taxable income, respectively.

A-22 S corporation shareholders — Where gain or loss is recognized on a shareholder's federal income tax return due to the disposition of stock or indebtedness of an S corporation that did not have an election to treat the corporation as a New York S corporation in effect for any taxable year beginning after December 31, 1980, the increase in basis of stock or indebtedness due to the application of Sections 1376(a) (as it was in effect for taxable years beginning before January 1, 1983) and 1367(a) (1) (A) and (B) of the Internal Revenue Code for each taxable year that the New York election was **not** in effect. If such disposition affects the determination of a federal net capital gain, include only 40 percent of the federal increase in basis (Section 612(b) (21) of the Tax Law). The Internal Revenue Code sections mentioned above refer to S corporation undistributed taxable income, respectively, that was required to be included in the shareholder's federal adjusted gross income.

Line 24

Add lines 20 through 23 and enter the total on line 24.

New York Subtractions

Line 25

Taxable refunds of state and local income taxes

Enter the amount of any taxable refund or credit for overpayment of income tax included on line 4.

Line 26

Taxable social security benefits

Enter the amount of taxable social security and tier 1 railroad retirement benefits included on line 16.

Line 27

Interest income on United States government bonds

Enter any interest income on bonds or other obligations of the United States government that you included in your federal adjusted gross income (Section 612(c) (1) of the Tax Law).

Line 28

Pension and annuity income exclusion

If you were age 59½ before January 1, 1986, enter the qualifying pension and annuity income included in your 1986 federal adjusted gross income, **but not more than \$20,000**. If you became 59½ years old during 1986, enter only the amount received after you became 59½, **but not more than \$20,000**. Do **not** enter any pension income you received from New York State or its political subdivisions here; see the instructions for line 30, subtraction S-4.

Caution: If you are also claiming the disability income exclusion, the total of your pension and annuity income exclusion and disability income exclusion cannot exceed \$20,000. If married, the total of each spouse's pension and annuity income and disability income exclusion cannot exceed \$20,000. You cannot claim any unused part of your spouse's exclusion.

Qualifying pension and annuity income:

- Periodic payments for services you performed as an employee before you retired.
- Periodic and lump sum payments from an IRA, but **not** payments derived from contributions made after you retired.
- Periodic payments from an HR-10 (Keogh) plan, but **not** payments derived from contributions made after you retired.
- Lump sum payments from an HR-10 (Keogh) plan, but only if the federal special 10-year averaging method is not used. Do **not** include that part of your payment that was derived from contributions made after you retired.

If you and your spouse both qualify, each of you can subtract up to \$20,000 of your own pension and annuity income. However, you cannot claim any unused part of your spouse's exclusion.

If you received the pension and annuity income of a decedent, you may make this subtraction if the decedent would have qualified to make this subtraction at the time of death.

Line 29

New York State depreciation

Enter your total New York State depreciation from Form IT-399, line 1, column F (Section 612(c) (26) of the Tax Law). This adjustment must be made for property placed in service during taxable years beginning in 1981, 1982, 1983, and 1984. It also must be made for property placed in service outside New York State in taxable years beginning after December 31, 1984, except for recovery property subject to the provisions of Section 280F of the Internal Revenue Code (such as luxury automobiles).

Line 30

Other subtractions

Identify any of the following subtractions that apply to you by writing the item number and amount of each subtraction in the white area on line 30. Enter your total other subtractions on line 30 in column A. If you checked filing status ③, enter the total of your own subtractions in column A and the total of your spouse's subtractions in column B.

S-1 The amount of your tuition deduction from Form IT-270, line 9 (Section 612(c) (17) of the Tax Law). See page 5 of these instructions for more information.

S-2 The total amount of your PASS fund deduction from each Form IT-270, line 16 (Section 612(c) (16) of the Tax Law). See page 5 of these instructions for more information.

S-3 Interest or dividend income on bonds or securities of any United States authority, commission or instrumentality included in your federal adjusted gross income but exempt from state income taxes under federal laws (Section 612(c) (2) of the Tax Law).

S-4 Any pension you received as a retired officer or employee of New York State or its political subdivisions (towns, cities, etc.) that was included in your federal adjusted gross income, and any pension you received as a beneficiary of a deceased officer or employee of New York State or its political subdivisions (Section 612(c) (3) of the Tax Law).

S-5 The amount of supplemental annuity and tier 2 benefits received under the Railroad Retirement Act of 1974 and the amount of Railroad Unemployment Insurance Act benefits that were included in your federal adjusted gross income but exempt from state income taxes under Title 45 of the United States Code.

S-6 Any interest or dividend income included in your federal adjusted gross income on bonds or securities that is exempt from New York State income tax (Section 612(c) (6) of the Tax Law).

S-7 Interest expense on money borrowed to purchase or carry bonds or securities, the income from which is subject to New York State income tax but exempt from federal income tax, provided this interest was a 1986 business expense and was not deducted in

figuring your federal adjusted gross income (Section 612(c) (9) of the Tax Law).

S-8 Ordinary and necessary business expenses paid or incurred during 1986 in connection with income, or property held to produce income, that is subject to New York State income tax but exempt from federal income tax, provided these expenses were not deducted in arriving at your federal adjusted gross income (Section 612(c) (10) of the Tax Law).

S-9 Amortization of bond premium attributable to 1986 on any bond, whose interest income is subject to New York income tax but exempt from federal income tax, provided this amortization was a 1986 business expense and was not deducted in figuring your federal adjusted gross income (Section 612(c) (10) of the Tax Law).

S-10 The amount necessary to prevent taxation of amounts properly included in total New York income in prior taxable years by a shareholder of a professional service corporation (Section 612(c) (12) of the Tax Law).

S-11 The amount of wages and salaries paid or incurred during the taxable year for which a salaries deduction is not allowed with regard to claiming the federal targeted jobs credit (Section 612(c) (15) of the Tax Law).

S-12 The part of any gain included in your federal adjusted gross income for the sale or other disposition of (1) property which had a higher basis for New York income tax purposes than for federal income tax purposes on December 31, 1959 (or on the last day of a fiscal year ending during 1960) and (2) property held in connection with mines, oil or gas wells, and other natural deposits which has a higher adjusted basis for New York State income tax purposes, which does not exceed this difference in basis. If the gain was considered a long-term capital gain for federal income tax purposes, the subtraction is limited to 40 percent of that part of the gain. If the gain on the sale or other disposition of jointly owned property was divided between husband and wife on your state return, any subtraction due to a higher New York than federal basis must also be divided (Section 612(c) (4) and 612(c) (13) of the Tax Law).

S-13 Any amount of income (including annuity income) or gain included in your federal adjusted gross income which was properly reported as income or gain on a prior New York State return filed under former Article 16 of the Tax Law by you or a decedent, an estate or trust from whom you acquired this income or gain (Section 612(c) (5) of the Tax Law).

S-14 Cost depletion figured according to federal tax law on property where percentage depletion was added on the line 23 (Section 612(c) (13) of the Tax Law). See addition A-10 on page 12 of these instructions.

S-15 Special depreciation or research expenditures in connection with depreciable, tangible business property located in New York State (Section 612(c) (11) of the Tax Law). For more information, see Form IT-211, *Special Depreciation and Expenditures*, and instructions. Also, see addition A-9 on page 11 of these instructions.

S-16 Expenditures in connection with waste treatment facilities, air pollution control equipment or acid deposition control equipment. This subtraction applies only to depreciable, tangible business property located in New York State and certified under the provisions of the Environmental Conservation Law (Section 612(c) (11) of the Tax Law). This subtraction cannot be made if subtraction S-15 was made. Also, see addition A-9 on page 11 of these instructions.

S-17 Any amount included in your federal adjusted gross income which is your distributive or *pro rata* share of income or gain from an insurance business operating as a member of the New York Insurance Exchange (Section 617-a of the Tax Law). See addition A-11 on page 12 of these instructions.

S-18 Any loss which was to have been realized for New York State tax purposes from the sale or other disposition of property acquired from a decedent and valued by the executor under New York State Tax Law because the estate had an insufficient amount of assets to require the filing of a federal estate tax return (Section 612(c) (19) of the Tax Law).

S-19 New business investment exclusion — The amount of gain to be subtracted from the sale of a New York new business investment which was included in your federal adjusted gross income (Section 612(c) (20) of the Tax Law).

S-20 New business investment deferral — The amount of a capital gain on the sale of a capital asset that was reinvested in a New York new business within one year from the date the property was sold. For more information, including how to figure your subtraction, see Publication 382 (Section 612(c) (23) of the Tax Law).

S-21 Safe harbor leases — Any amount that was included in federal adjusted gross income (except for mass transit vehicles) solely because of an election made under Section 168(f) (8) of the Internal Revenue Code, as it was in effect for agreements entered into prior to January 1, 1984 (Section 612(c) (24) of the Tax Law).

S-22 Safe harbor leases — Any amount that could have been excluded from federal adjusted gross income (except for mass transit vehicles) had the election under Section 168(f) (8) of the Internal Revenue Code, as it was in effect for agreements entered into prior to January 1, 1984, not been made (Section 612(c) (25) of the Tax Law).

S-23 Accelerated cost recovery property — Year of disposition adjustment — In the year that you dispose of property, the amount by which your total federal accelerated cost recovery deductions were greater than the total depreciation you took for New York State purposes on that property (Section 612(c) (28) of the Tax Law). Use Form IT-399, *New York State Depreciation*, to figure your adjustment. See addition A-17 on page 12 of these instructions.

S-24 S corporation shareholders — Where a gain or loss is recognized on a shareholder's federal income tax return due to the disposition of stock or indebtedness of an S corporation that did not have an election to treat the corporation as a New York S corporation in effect for any taxable year beginning after December 31, 1980, the reduction in basis of stock or indebtedness due to the application of Sections 1376(b) (as it was in effect for taxable years beginning before January 1, 1983) and 367(a)(2)(B) and (C) of the Internal Revenue Code for each taxable year that the New York election was **not** in effect. If such disposition affects the determination of a federal net capital gain, the subtraction is limited to 40 percent of the federal reduction in basis.

Also, the amount of any additions to federal adjusted gross income under Section 612(b) (20) of the Tax Law (see addition A-21 on page 12 of these instructions) that were made with respect to the stock described above (Section 612(c) (21) of the Tax Law).

The Internal Revenue Code sections mentioned above refer to the shareholder's **pro rata** share of S corporation net operating loss and S corporation loss and deduction, respectively, that was required to be taken into account in figuring the shareholder's federal adjusted gross income.

S-25 S corporation shareholders — If you are a shareholder of an S corporation for which the election to be a New York S corporation was not in effect for the taxable year, any S corporation income included in federal adjusted gross income pursuant to Section 1366 of the Internal Revenue Code. If such income affects the determination of a federal net capital gain, the subtraction is limited to 40 percent of the income (Section 612(c) (22) of the Tax Law).

S-26 Disability income exclusion — Any amount that could have been excluded from federal adjusted gross income based on Section 105(d) of the Internal Revenue Code as it was in effect prior to January 1, 1984. However, the sum of disability income excluded and pension and annuity income excluded may not exceed \$20,000 (Section 612(c) (3-b) of the Tax Law). Use Form IT-221, *Disability Income Exclusion*, to figure your disability income exclusion and attach it to your return.

Note: If you claim this exclusion, you must also complete the physician's statement located at the bottom of Form IT-221.

Line 31 Total subtractions

Add lines 25 through 30 and enter the total on line 31.

Line 32 Total New York income

Subtract line 31 from line 24 and enter the result on line 32.

You do not owe any New York State income tax if you were a New York State resident for the

entire taxable year and if you checked:

- filing status ① and your Form IT-201, line 32 amount is \$4,000 or less.
- filing status ② or ⑤ and your Form IT-201, line 32 amount is \$8,000 or less.
- filing status ③ or ④ and your combined Form IT-201, line 32 amounts are \$8,000 or less.

If you meet any of these conditions, skip lines 33 through 56 and enter "0" on lines 57, 60, 61, 63, 64 and 65. Also, enter in the box on line 47 the same number of exemptions you claimed on your federal return. Then continue on line 58.

Line 33

Transfer the front page, line 32 amount to page 2, line 33.

If you checked filing status ③, be sure to transfer the line 32 amounts in columns A and B to the correct columns on page 2, line 33.

NY Itemized Deduction

You may pay less tax if you can claim the New York itemized deduction. **Your New York itemized deduction is not limited to \$2,600, if single, or \$3,000 if another filing status is claimed.** You can claim the New York itemized deduction only if you itemize deductions on your federal return. However, if your New York itemized deduction is **less** than your allowable standard deduction, you should claim the standard deduction. For more information on the New York standard deduction, see the instructions for line 45 on page 15.

If you are married and filing separately (filing status ③ or ④), you can claim the New York itemized deduction only if you itemized deductions on your federal return(s) and both of you elect to claim the New York itemized deduction. Otherwise, both of you must claim the New York standard deduction. For information on the New York standard deduction, see the instructions for line 45 on page 15.

If you did not itemize deductions on your federal return, you must claim the New York standard deduction; skip lines 34 through 44 and continue on line 45.

Lines 34 through 39

Enter on each line the total of each group of itemized deductions (medical and dental, taxes, etc.) exactly as you reported them on your federal Schedule A (Form 1040), *Itemized Deductions*.

If you checked filing status ③, fill in lines 34 through 39 showing total amounts for both spouses.

Line 40

Add lines 34 through 39 and enter the total.

Line 41

State, local and foreign income taxes included on line 35

Enter the amount of any state, local and

foreign income taxes included as an itemized deduction on line 35.

Exception for City of NY nonresident earnings tax — If you included the City of New York nonresident earnings tax on line 35, you do **not** have to include on line 41 the difference between the City of New York nonresident earnings tax on wages figured at the old rate (0.25%) and the tax figured at the current rate (0.45%). To figure the amount you have to include on line 41, multiply your City of New York taxable wages (from Form NYC-203, line 3) by .0020 and subtract it from your state, local and foreign income tax deduction included on line 35.

Example: Your line 35 amount includes your City of New York nonresident earnings tax as well as other state, local and foreign income taxes, for a total income tax deduction of \$1,000. Your taxable wages from Form NYC 203, line 3, are \$16,000. Multiply \$16,000 by .0020 which equals \$32; the amount you do **not** have to include on line 41. Then subtract \$32 from \$1,000 to find the difference of \$968, the amount to enter on line 41.

The above also applies to the City of New York nonresident earnings tax on net earnings from self-employment. The amount you do not have to include on line 41 is the difference between the tax figured at the old rate (0.375%) and the tax figured at the current rate (0.65%). To figure the amount you have to include on line 41, multiply your City of New York taxable net earnings from self-employment (Form NYC-203, line 7) by .00275 and subtract it from your state, local and foreign income tax deduction included on line 35.

Line 42

Subtract line 41 from line 40 and enter the result.

Line 43 Other adjustments

On a separate sheet marked "Line 43 Other Adjustments," identify by item letter the following other adjustments that apply to you. Show the amount of each and attach this sheet to your return. Enter only the net addition or net (subtraction) amount on line 43.

Partners — Include on line 43 the additions and subtractions described below that apply to your share of partnership deduction items (if not included in your New York additions and subtractions on the front page). Determine your share of partnership items from the partnership return, Form IT-204.

S corporation shareholders — If you are a shareholder of a federal S corporation for which the election to treat the corporation as a New York S corporation was in effect for the taxable year or if you were not eligible to make the election to treat your corporation as a New York S corporation because the corporation is not subject to Article 9-A franchise tax, include on line 43 additions A through C and subtractions D through G, described on page 15, that apply to your **pro rata** share of S corporation items of income, loss or deduction. If the election to be a New York S corporation terminated during

the taxable year, you must allocate those items (see Publication 382, *How to Figure Your New York Additions and Subtractions*, for more information). Obtain your share of S corporation items from the S corporation's Form CT-3S.

If you are a shareholder of a federal S corporation that did not elect to be a New York S corporation, include subtraction H, only.

Additions

A Interest expense on money borrowed to purchase or carry bonds or securities subject to New York income tax but exempt from federal income tax, if this interest expense was not deducted on your federal return or shown as a New York subtraction on page 1 or your state return.

B Ordinary and necessary expenses paid or incurred during 1986 in connection with income, or property held for the production of income, which is subject to New York income tax but exempt from federal income tax, if these expenses were not deducted on your federal return or shown as a New York subtraction on page 1 of your state return.

C Amortization of bond premium attributable to 1986 on any bond whose interest income is subject to New York income tax but exempt from federal income tax, if this amortization was not deducted on your federal return or shown as a New York subtraction on page 1 of your state return.

Subtractions

D Interest expense on money borrowed to purchase or carry bonds or securities whose income is exempt from New York income tax.

E Ordinary and necessary expenses paid or incurred in connection with income, or property held for the production of income, which is exempt from New York income tax.

F Amortization of bond premium attributable to 1986 on any bond, whose interest income is exempt from New York income tax.

G Your distributive or **pro rata** share of deductions from an insurance business operating as a member of the New York Insurance Exchange (Section 617-a of the Tax Law).

H If you are a shareholder of a federal S corporation that did not elect to be a New York S corporation, any S corporation deductions included in your federal itemized deductions. If an S corporation short year is involved, you must allocate those deductions (see Publication 382, *How to Figure Your New York Additions and Subtractions*, for more information).

Line 44

NY itemized deduction

If line 43 is an addition, add lines 42 and 43 and enter the total on line 44. If line 43 is a (subtraction), subtract line 43 from line 42 and enter the result.

If you made no entries on line 43, enter the amount from line 42 on line 44.

**Tax Computation
Line 45**

NY deduction: standard or itemized

Check either the standard or the itemized deduction box to show which method you are using and enter the amount of your New York deduction on line 45.

- If you itemized deductions on your federal return, you can use either method.
- If you did not itemize on your federal return, you must claim the New York standard deduction.
- If you are married and filing separately (filing status ③ or ④) and one of you claims the New York standard deduction, the other must also claim the standard deduction.

New York standard deduction

If you are **not** claiming the New York itemized deduction, enter your New York standard deduction on line 45.

If you are single (filing status ①), your standard deduction is \$2,600. For all others (filing statuses ②, ③, ④ and ⑤), the standard deduction is \$3,000.

Caution: If you are married and filing separately (filing status ③ or ④), the standard deduction for **both** of you is \$3,000. You can divide your standard deduction any way you want on line 45. However, it may be to your advantage to give most or all of your standard deduction to the spouse with the higher income. If your incomes are similar, divide your standard deduction so that both incomes are the same. The total of the standard deduction amounts you enter on line 45, in columns A and B, must be \$3,000.

New York itemized deduction

If you are claiming the New York itemized deduction, transfer the amount on line 44 to line 45.

If you checked filing status ③, you can divide your total itemized deduction any way you want. It may be to your advantage to give most or all of your itemized deduction to the spouse with the higher income. If your incomes are similar, divide your itemized deduction so that both incomes are the same.

If you checked filing status ④ because you filed separate federal returns, you must claim only those deductions that apply to your income and your spouse must claim only those that apply to his or her income.

Line 46

Subtract the amount on line 45 from the amount on line 33 and enter the result.

Line 47 Exemptions

If you checked filing status ①, ② or ⑤, enter in the column A box on line 47 the same number of exemptions you claimed on your federal return. Multiply the number of exemptions in the box by \$850 and enter the result on line 47a.

If you checked filing status ③, enter in the column A and B boxes the number of exemptions you could each claim on a separate federal return. Multiply the number of exemptions in each box by \$850 and enter the results on lines 47a and 47b. **You cannot claim any unused amount of your spouse's exemptions.**

If you checked filing status ④ enter the number of exemptions you claimed on your separate federal return. Multiply the number of exemptions in the column A box by \$850 and enter the result on line 47a.

Line 48

New York net income

Enter your New York net income. Subtract the amount on line 47a from the amount on line 46 (and line 47b from line 46, column B, if you checked filing status ③) and enter the result.

Line 49

Family adjustment

The family adjustment is a tax benefit for married couples. If you checked filing status ② or ③, see the instructions for your filing status below. The maximum family adjustment that you can claim is \$4,000.

Filing Status ①, ④ and ⑤ — Enter "0" on line 49 and see line 50 instructions.

Filing Status ② — If your total New York income on line 33 is more than \$38,000, enter "0" on line 49 and see line 50 instructions. If your total New York income on line 33 is \$38,000 or less, figure your family adjustment as follows:

- If line 48 is less than \$8,000, use Table A.
- If line 48 is \$8,000 or more, use Table B.

TABLE A		
Filing Status ②		
If the amount on line 33 is:		
more than	but not more than	Enter on Line 49
\$ 0	\$31,000	50% of line 48
31,000	32,000	50% of line 48 minus \$ 500
32,000	33,000	50% of line 48 minus \$1,000
33,000	34,000	50% of line 48 minus \$1,500
34,000	35,000	50% of line 48 minus \$2,000
35,000	36,000	50% of line 48 minus \$2,500
36,000	37,000	50% of line 48 minus \$3,000
37,000	38,000	50% of line 48 minus \$3,500
38,000		"0"

Note: If 50% of line 48 is less than the minus amount, enter "0" on line 49.

TABLE B		
Filing Status ②		
If the amount on line 33 is:		
more than	but not more than	Enter on Line 49
\$ 0	\$ 31,000	\$4,000
31,000	32,000	3,500
32,000	33,000	3,000
33,000	34,000	2,500
34,000	35,000	2,000
35,000	36,000	1,500
36,000	37,000	1,000
37,000	38,000	500
38,000		"0"

Filing Status ③ — If your **combined total New York income** on line 33 is more than \$38,000, enter "0" on line 49 and see line 50 instructions. If your combined total New York income on line 33 is \$38,000 or less, figure your family adjustment using the worksheet below.

Note — If you checked filing status ③ and the net incomes of both spouses at line 48 fall within the same tax bracket, there will be no tax advantage using the family adjustment.

Family Adjustment Worksheet

Filing Status ③

a. Enter the larger of column A or B, line 48. a. _____

b. Enter the smaller of column A or B, line 48. b. _____

c. Subtract line b from line a. c. _____

d. 50% of line c. d. _____

e. Enter amount from Table C below if the larger of column A or B, line 48, is less than \$8,000, or the amount from Table D if the larger of column A or B, line 48, is \$8,000 or more. e. _____

f. Enter the smaller of lines d or e. f. _____

This is your family adjustment. Transfer this amount to Form IT-201, line 49, as a subtraction in the column having the larger line 48 amount and **also** to the column having the smaller line 48 amount, as an addition.

Use Table C if the larger of column A or B, line 48 is less than \$8,000. Use Table D if the larger of column A or B, line 48, is \$8,000 or more.

TABLE C

Filing Status ③

If the amount on line 33 is:

more than	but not more than	Enter on Worksheet line e
\$ 0	..\$31,000	..50% of line 48, column A or B, whichever is larger
31,000	..32,000	..50% of line 48, column A or B, whichever is larger, minus \$500
32,000	..33,000	..50% of line 48, column A or B, whichever is larger, minus \$1,000
33,000	..34,000	..50% of line 48, column A or B, whichever is larger, minus \$1,500
34,000	..35,000	..50% of line 48, column A or B, whichever is larger, minus \$2,000
35,000	..36,000	..50% of line 48, column A or B, whichever is larger, minus \$2,500
36,000	..37,000	..50% of line 48, column A or B, whichever is larger, minus \$3,000
37,000	..38,000	..50% of line 48, column A or B, whichever is larger, minus \$3,500
38,000	.....	.. "0"

Note: If 50% of line 48 is less than the minus, enter "0" on Worksheet line e.

TABLE D

Filing Status ③

If the amount on line 33 is:

more than	but not more than	Enter on Worksheet line e
\$ 0	..\$31,000	..\$4,000
31,000	..32,000	..3,500
32,000	..33,000	..3,000
33,000	..34,000	..2,500
34,000	..35,000	..2,000
35,000	..36,000	..1,500
36,000	..37,000	..1,000
37,000	..38,000	..500
38,000	.....	.. "0"

Line 50 New York taxable income

Filing status ①, ④ and ⑤ — Enter your line 48 amount on line 50. This is your New York taxable income.

Filing status ② — Subtract the amount on line 49 from the amount on line 48 and enter the result. This is your New York taxable income. (If you entered "0" on line 49, enter your line 48 amount on line 50.)

Filing status ③ — If the amount on line 48, column A is larger than the amount on line 48, column B, subtract the amount of your family adjustment (line 49) from column A and add it to column B. If the reverse is true, subtract your family adjustment from column B and add it to column A. This is your New York taxable income. (If you entered "0" on line 49, enter your line 48 amount on line 50.)

Line 51 NY State tax or Maximum tax

Enter either your **New York State tax** or your **maximum tax on personal service income** on line 51. (If the amount on line 50 is more than \$16,000, you may pay less tax if you use the **maximum tax rate**.)

You should figure your tax both ways to see which method gives you the lower tax.

State tax — Figure your state tax on the amount on line 50 by using the *New York State Tax Rate Schedule* on the back cover of these instructions or on page 2 of Form IT-201-ATT.

Example: You are a New York State resident for the entire year. Your New York taxable income (from line 50) is \$14,000. Figure your **state tax** as follows:

Tax on \$13,500	.....	\$720
Plus 9% of \$500	.....	<u>+ 45</u>
Total New York State tax	.....	\$765

If you checked filing status ③, enter only your own tax in your column.

Maximum tax — If the line 50 amount is more than \$16,000, your tax may be limited to a maximum rate of 9.5% on your personal service income. Generally, personal service income includes wages, salaries, professional fees, bonuses, commissions on sales or on insurance premiums, tips and any other

amounts you received as compensation for personal services you provided.

For more information on who qualifies for this benefit, see the instructions on page 2 of Form IT-250. If you qualify, complete Form IT-250 and transfer the amount on line 12 of Form IT-250 to line 51 of your return. Attach Form IT-250 to your return.

If you checked filing status ③ and if you both qualify for the maximum tax rate, you must each complete a separate Form IT-250 and enter your own maximum tax on Form IT-201, line 51.

Lines 51a and 51b

For maximum tax filers only

If you entered your maximum tax on line 51, transfer the amount from Form IT-250, line 3, to Form IT-201, line 51a, and the amount from Form IT-250, line 9, to Form IT-201, line 51b.

If you checked filing status ③ and if you both qualify for the maximum tax rate, you must each transfer the line 3 and line 9 amounts from your own Form IT-250 to your column of Form IT-201 on lines 51a and 51b. Attach both Forms IT-250 to your return.

Line 52

Tax on Family Adjustment — Filing Status ② Only

If you checked filing status ②, figure your tax on the amount on line 49 by using the *Family Adjustment Tax Rate Schedule* on the back cover of these instructions or on page 2 of Form IT-201-ATT.

Line 53

Add lines 51 and 52 and enter the total on line 53.

Credits/Other Taxes

Line 54 Household credit

Enter your household credit. You qualify to claim this credit if you checked the "No" box for item B on the front page of your Form IT-201 (Section 606(b) of the Tax Law) and if you checked:

- filing status ① and your household gross income is **not over \$28,000**.
- filing status ②, ③, ④ or ⑤ and your household gross income is **not over \$32,000**.

Generally, household gross income is your total New York income (line 33). However, if you have tax preference items, you must also include any minimum taxable income reported on Form IT-220, *Minimum Income Tax*. For more information on tax preference items, see *Other Forms You May Have to Use* (Form IT-220) on page 8 of these instructions.

Filing status ① — Complete Worksheet I to figure your household credit.

Filing status ②, ③, ④ or ⑤ — Complete Worksheet II to figure your household credit.

If you checked filing status ③ or ④, you have to combine your household gross incomes, New York minimum taxable incomes and exemptions to figure your household credit.

Household Credit Worksheet I
Filing status ①

a. Enter your total New York income (from Form IT-201, line 33) a. _____

b. If you have to file Form IT-220 (see page 8), enter your New York minimum taxable income, if any, from Form IT-220, line 27 b. _____

c. Household gross income (add lines a & b) c. _____

If the amount on line c above is:

Over	But not over	Enter on line d:
\$ 0	\$ 5,000	\$75
5,000	6,000	60
6,000	7,000	50
7,000	20,000	45
20,000	25,000	40
25,000	28,000	20
28,000		No credit is allowed; enter "0" on Form IT-201, line 54.

d. Enter amount from table above d. _____

e. Enter your tax from Form IT-201, line 53 e. _____

f. Enter the total of any credits claimed on Form IT-201-ATT, lines 1, 2 and 3 f. _____

g. Subtract line f from line e g. _____

h. Enter the amount on line d or line g, whichever is smaller h. _____

This is your household credit. Transfer this amount to Form IT-201, page 2, line 54.

Household Credit Worksheet II
Filing status ②, ③, ④ and ⑤

a. Enter your total New York income (combined amounts for filing status ③ or ④) from Form IT-201, line 33 a. _____

b. If you have to file Form IT-220 (see page 8), enter your New York minimum taxable income (combined amounts for filing status ③ or ④), if any, from Form IT-220, line 27 b. _____

c. Household gross income (add lines a and b) c. _____

d. Enter amount from following table d. _____

e. Enter amount from following table e. _____

f. Enter number of exemptions (combined number for filing status ③ or ④) from Form IT-201, line 47 f. _____

g. Multiply line e by line f and enter result g. _____

h. Add lines d and g h. _____

If the amount on line c above is:

Over	But not over	Enter on: line d	line e
\$ 0	\$ 5,000	\$75	\$15
5,000	6,000	60	15
6,000	7,000	50	15
7,000	20,000	45	15
20,000	22,000	50	10
22,000	25,000	40	10
25,000	28,000	35	5
28,000	32,000	15	5
32,000		No credit is allowed; enter "0" on Form IT-201, line 54.	

Filing status ② and ⑤ complete column A below.

Filing status ③ and ④ complete column A below for yourself and column B for your spouse.

	Col. A	Col. B
i. Enter your tax from Form IT-201, line 53	i. _____	_____
j. Enter the total of any credits claimed on Form IT-201-ATT, lines 1, 2 and 3	j. _____	_____
k. Subtract line j from line i and enter result	k. _____	_____
l. Filing status ② or ⑤ — enter amount on line h or k, whichever is smaller.	_____	_____
Filing status ③ or ④ — enter in each column 50% of line h or 100% of line k, whichever is smaller	_____	_____

This is your household credit. Transfer the amount(s) to Form IT-201, page 2, line 54, column A, and also to line 54, column B if filing status ③.

You cannot claim any unused part of your spouse's household credit.

Line 55

Subtract the amount on line 54 from the amount on line 53 and enter the result.

Line 56

Other NY State credits

Enter the total amount of other New York State credits from Form IT-201-ATT, Schedule OC, line 8. These are: resident credit, accumulation distribution credit, New York State child and dependent care credit, investment credit and retail enterprise credit, special additional mortgage recording tax credit, solar and wind energy credit carryover and the research and development credit. For more information, see *Instructions for Form IT-201-ATT, Schedule OC, on page 23.*

Line 57

Subtract the amount on line 56 from the amount of line 55 and enter the result.

Line 58

Other NY State taxes

Enter the total amount of other New York State taxes from Form IT-201-ATT, Schedule OT, line 14. These are: separate tax on lump sum distributions, minimum income tax, separate tax on PASS funds, add-back of investment credit and retail enterprise credit on early dispositions and add-back of research and development credit on early dispositions. For more information see *Instructions for Form IT-201-ATT, Schedule OT, on page 24.*

Line 59

Total New York State tax

Add lines 57 and 58 and enter the total on line 59.

Lines 60 through 62 apply only to City of New York taxes. If you are not subject to City of New York taxes, do not fill in these lines.

If you were a resident of the City of New York for the **entire taxable year**, you do **not** owe any City of New York resident tax if you checked:

- filing status ① and your Form IT-201, line 33 amount is \$5,500 or less.
- filing status ② or ⑤ and your Form IT-201, line 33 amount is \$11,000 or less.
- filing status ③ or ④ and your combined Form IT-201, line 33 amounts are \$11,000 or less.

If you meet any of these conditions, enter "0" on lines 60 and 61. Then continue on line 62.

Line 60

City of NY resident tax

Enter on this line your City of New York resident tax. Figure your City of New York resident tax on the amount on line 48 by using the *City of New York Tax Rate Schedule* on the back cover of these instructions or on page 2 of Form IT-201-ATT.

Example: Your New York net income (from line 48) is \$14,000. Figure your **city resident tax** as follows:

Tax on \$13,000	.....	\$263
Plus 2.9% of \$1,000	.....	+ 29
City of New York tax	.....	\$292

Caution: Do not complete line 60 if you were a City of New York resident for only part of 1986, but a New York State resident for all of 1986. Use Form IT-360.1, *Change of City Resident Status*, to figure your part-year City of New York resident tax, and transfer it to Form IT-201-ATT, *Summary of Other Credits and Taxes*. For more information, see IT-360.1-1, *Instructions for Form IT-360.1.*

Line 61**City of NY nonresident earnings tax**

Enter your City of New York nonresident earnings tax.

If you were not a City of New York resident but earned wages or conducted a trade or business there (either as an individual or a member of a partnership), you are subject to the City of New York nonresident earnings tax. Fill in Form NYC-203, *City of New York Nonresident Earnings Tax Return*, and attach it to Form IT-201. For more information, see *City Nonresident Earnings Taxes* on page 7.

Line 62**Other City of NY taxes**

Enter on this line the total amount of other City of New York taxes from Form IT-201-ATT, Schedule NYC, line 19. These are: part-year City of New York resident tax, City of New York minimum income tax, City of New York separate tax on lump sum distributions and the City of New York separate tax on PASS funds. For more information, see *Instructions for Form IT-201-ATT, Schedule NYC*, on page 24.

Lines 63 through 65 apply only to City of Yonkers taxes. If you are not subject to City of Yonkers taxes, do not fill in these lines.

Line 63**City of Yonkers resident income tax surcharge**

Enter on this line your City of Yonkers resident income tax surcharge from the worksheet below. However, if you entered "0" on line 59, also enter "0" on line 63.

Yonkers Worksheet

- | | |
|--|--------------|
| a. Amount from line 59 | a. _____ |
| b. Amount from Form IT-214, line 15 (Real Property Tax Credit) | b. _____ |
| c. Subtract line b from line a (if line b is larger than line a, enter "0" on line 63) | c. _____ |
| d. Yonkers resident tax rate (15 percent) | d. _____ .15 |
| e. Multiply line c by line d. Enter this amount on Form IT-201, line 63 | e. _____ |

If you checked filing status ③, you must each figure your own City of Yonkers resident income tax surcharge (and your share of the real property tax credit, if any) on the line 59 amount in your column, and enter only your own surcharge in your column.

Caution: Do not complete line 63 if you were a City of Yonkers resident for only part of 1986, but a New York State resident for all of 1986. Use Form IT-360.1, *Change of City Resident Status*, to figure your part-year City of Yonkers resident income tax surcharge, and transfer it to Form IT-201, line 65. For more information, see Form IT-360.1, *Instructions for Form IT-360.1*.

Line 64**City of Yonkers nonresident earnings tax**

Enter your City of Yonkers nonresident earnings tax.

If you were not a City of Yonkers resident but earned wages or conducted a trade or business there (either as an individual or a member of a partnership), you are subject to the City of Yonkers nonresident earnings tax. Fill in Form Y-203, *City of Yonkers Nonresident Earnings Tax Return*, and attach it to Form IT-201. For more information, see *City Nonresident Earnings Taxes* on page 7.

Line 65**Part-Year City of Yonkers resident income tax surcharge**

Enter your part-year City of Yonkers resident income tax surcharge. If you were a City of Yonkers resident for only part of 1986, but a New York State resident for all of 1986, fill in Form IT-360.1 and attach it to your return. If you were subject to the City of Yonkers nonresident earnings tax for the remainder of the year, see *City Nonresident Earnings Taxes* on page 7 of these instructions. For more information, see IT-360.1-I, *Instructions for Form IT-360.1*.

Line 66**Total City of NY and City of Yonkers taxes**

Add lines 60 through 65 and enter the total on line 66.

Line 67**Gift for wildlife**

If you want to give a gift for wildlife, enter the amount of your gift on line 67.

The amount you give must be in whole dollars: \$2, \$5, \$10, or any other dollar amounts. Your gift will reduce your refund or increase your tax payment. Also, you cannot change the amount you give after you filed your return.

If you checked filing status ③ and each spouse wants to make a contribution, enter your gifts separately in columns A and B.

For more information about a gift for wildlife, see page 22 of these instructions.

Line 68**Total NY State, City of NY and City of Yonkers taxes and gift for wildlife**

Add lines 59, 66 and 67 and enter the total on line 68.

Payments**Line 69****Real property tax credit**

If you qualify, enter on this line your real property tax credit (Section 606(e) of the Tax Law). To claim this credit, fill in Form IT-214

and transfer the amount from Form IT-214, line 15, to Form IT-201, line 69. Attach Form IT-214 to your return. For more information, see *Instructions for Form IT-214* on page 25 of this booklet.

Line 70**NY State tax withheld**

Enter on this line your total **New York State tax withheld** as shown on your wage and tax statement(s), Form IT-2102 or federal Form W-2.

If you checked filing status ②, enter your combined New York State tax withheld in column A. If you checked filing status ③, enter your separate amounts in columns A and B.

Attach Copy 2 of your wage and tax statement(s) to your return. If New York State tax was withheld from annuities, pensions, retired pay or IRA payments, attach Copy 2 of Form IT-2102P or federal Form W-2P to your return.

If you did not have City of New York tax withheld, skip line 71.

Line 71**City of NY tax withheld**

Enter your total **City of New York tax withheld** as shown on your wage and tax statement(s).

If you checked filing status ②, enter your combined City of New York tax withheld in column A. If you checked filing status ③, enter your separate amounts in columns A and B.

Attach Copy 2 of your wage and tax statement(s) to your return. If City of New York tax was withheld from annuities, pensions, retired pay or IRA payments, attach Copy 2 of Form IT-2102P or federal Form W-2P to your return.

Accumulation distribution credit — If you are a beneficiary of a trust and received an accumulation distribution from the trust, you may be allowed a credit for the **City of New York** income taxes paid by the trust (Section 1310 of the Tax Law). Include this credit with any City of New York tax withheld and enter the total on Line 71. Attach a schedule showing how you figured your City of New York accumulation distribution credit.

If you did not have City of Yonkers tax withheld, skip line 72.

Line 72**City of Yonkers tax withheld**

Enter your **City of Yonkers tax withheld** as shown on your wage and tax statements.

If you checked filing status ②, enter your combined City of Yonkers tax withheld in column A. If you checked filing status ③, enter your separate amounts in columns A and B.

Attach Copy 2 of your wage and tax statement(s) to your return. If City of Yonkers tax was withheld from annuities, pensions,

retired pay or IRA payments, attach Copy 2 of Form IT-2102P or federal Form W-2P to your return.

Line 73

Estimated tax paid/Paid with Form IT-370

Enter on this line the total of your estimated tax payments for New York State, City of New York and City of Yonkers. Also, enter the amount you paid with Form IT-370, *Application for Automatic Extension of Time to File*.

Estimated tax paid — Include on line 73 the total of your 1986 estimated tax payments (include your last installment, even if paid in 1987) and any overpayment from your 1985 return that was applied to your 1986 estimated tax.

If you checked filing status ② but made **separate** 1986 estimated tax payments (Form IT-2105), enter in column A your combined total estimated tax paid.

If you checked filing status ③ and made **separate** estimated tax payments for 1986, enter your separate payments in columns A and B. If you made **joint** estimated tax payments, you can divide your total payments any way you both agree upon.

Do not include any amounts you paid for the **City of New York** unincorporated business tax. File the City of New York unincorporated business tax directly with the City of New York Finance Administration.

Paid with Form IT-370

If you filed Form IT-370 to get an extension of time to file Form IT-201, include on line 73 the amount you paid with Form IT-370. **Attach a copy of Form IT-370 to your return.**

If you checked filing status ② but filed **separate** Forms IT-370, enter in column A the combined amount paid with your separate Forms IT-370.

If you checked filing status ③ and you filed **separate** Forms IT-370, enter your separate amounts paid in columns A and B. If you filed a **joint** Form IT-370, you can divide your total payment any way you both agree upon.

Remember to attach a copy of Form IT-370 to your return.

Line 74 Total payments

Add lines 69 through 73 and enter your total tax payments on line 74.

Line 75

Payments applied to tax

If you checked filing status ①, ②, ④ or ⑤, enter in column A, line 75, the same amount you entered in column A, line 74. If you checked filing status ③, you can divide your total payments any way you want between columns A and B.

Refund/ Amount You Owe

Apply your payments (line 75) against your total tax (line 68) to see whether you have an overpayment or a balance due.

If you checked filing status ③, the Tax Department will automatically apply one spouse's overpayment against the other's balance due unless the spouse who has the overpayment attaches to the return a signed statement asking that the overpayment be refunded only to him or her.

Line 76 Overpayment

If line 68 is less than line 75, subtract line 68 from line 75 and enter your overpayment on line 76. You can have all or part of this amount refunded to you. Any remainder can be applied to your 1987 estimated tax. Any overpayment credited toward your estimated tax cannot be refunded after April 15, 1987.

Line 77 Refund

Enter the amount of overpayment from line 76 that you want refunded to you. You must file a return to get a refund. The Tax Department will not refund an amount of one dollar or less unless you attach to your return a signed statement asking for it.

If you checked filing status ③, the Tax Department will issue one refund check in both names, unless one of you attaches a signed statement asking that you each receive your own refund.

If one column shows an overpayment that is larger than the other column's balance due, net out the overpayment against the balance due and transfer the net overpayment to line 77.

Collection of debts from your refund — We will keep all or part of your refund if you owe a federal, New York State, City of New York or City of Yonkers tax liability, past due spousal or child support, or if a judgment was filed against you because you have not repaid a student loan guaranteed by the New York State Higher Education Services Corporation or a national defense/national direct, health professions or nursing student loan provided to students at state-operated units of the State University of New York or the City University of New York. Any amount over your debt will be refunded.

Disclaiming of spouse's debt — If you checked filing status ② or ③ and you do not want to apply your part of the refund to your spouse's debt because you are not liable for it, attach a signed statement to that effect to your return and ask for your part of the refund. You cannot amend your return to disclaim your spouse's debt.

If you have any questions about whether you owe a federal, New York State, City of New York or City of Yonkers tax liability, past-due spousal or child support, whether you have repaid your HESC guaranteed or state or city

university student loan, or about the amount owed, call or write to the agency shown below:

For a federal tax liability —

(518) 472-3608
I.R.S. Special Procedures Function
Leo O'Brien Federal Building
Clinton and North Pearl Streets
Albany, NY 12207

(718) 780-6636
Internal Revenue Service
P.O. Box 911 G.P.O.
Brooklyn, NY 11202

(716) 846-5439
Internal Revenue Service
P.O. Box 266 Niagara Square Station
Buffalo, NY 14202

(212) 264-1140
Internal Revenue Service
Attn: C: FS 3rd Floor
P.O. Box 2827
New York, NY 10277

For a New York State, City of New York or City of Yonkers tax liability —

1-800-835-3554
outside NYS (518) 482-0683
NYS Tax Compliance Division
W.A. Harriman Campus
Albany, NY 12227-0125

For past-due spousal or child support —

(518) 473-8029
NYS Office of Child Support Enforcement
Special Collections Unit
P.O. Box 125
One Commerce Plaza
Albany, NY 12260

For HESC guaranteed student loans —

(518) 474-0991
NYSHESC
99 Washington Avenue
Albany, NY 12225

For State University student loans —

(518) 474-3781
Student Loan Service Center
State University of New York
SUNY Plaza
Albany, NY 12246

For City University student loans —

(212) 397-5682
City University of New York
Financial Aid Accounting
555 West 57th Street
New York, NY 10019

Line 78**NY State, City of NY and City of Yonkers estimated tax for 1987**

Enter the amount of overpayment from line 76 that you want credited to your New York State, City of New York and City of Yonkers estimated tax for 1987. Do not include any amount that you claimed as a refund on line 77.

Line 79**Amount you owe**

If line 68 is larger than line 75, subtract line 75 from line 68 and enter the amount you owe on line 79.

If you owe more than one dollar, include full payment with your return. (You do not have to pay one dollar or less.) Make your check or money order payable to "NY STATE INCOME TAX" and write your social security number and "1986 income tax" on it. Do not send cash. If you also have to pay an underpayment of estimated tax penalty (line 80), send one check or money order for the total.

If you checked filing status ③, you can add your balances due and send one check or money order for the total.

If one column shows a balance due that is larger than the other column's overpayment, subtract the overpayment from the balance due and send a check or money order for the net balance due.

Do not include any penalty or interest amounts on line 79. If you include penalties or interest with your payment, identify and enter these amounts in the right margin of page 2 of Form IT-201 (but not underpayment of estimated tax penalty, see line 80).

Line 80**Underpayment of estimated tax**

If line 79 is at least \$100 and, in addition, represents more than 20% of the tax shown on your return, or you failed to make payments of estimated tax or underpaid your estimated tax liability for any payment period, you may owe a penalty. Attach Form IT-2105.9, *Underpayment of Estimated Tax by Individuals*, to Form IT-201 to show how you figured the penalty or which exceptions apply. If you owe a penalty, check the box at line 80 and enter the amount of the penalty in column A. For more information, see the instructions for Form IT-2105.9.

Do not include any other penalty or interest amounts on line 80. If you include penalties or interest with your payment, identify and enter these amounts in the right margin of page 2, Form IT-201.

Now continue with *Step 4* below

Step 4

Check the figures on your return

86

Step 5

Complete the top of page 1 of your return.

Mailing label—Remove the peel-off label from the cover of your packet and place it in the name and address box at the top of your return. Check the label to make sure the information on it is complete and correct:

Social Security Information		Form Filed Last Year	Mailing Code
Name		School District Code	
Number and Street	City State ZIP Code County		

At the top of the label there is a series of numbers which shows your social security information, the form you filed last year, and a mailing code for the post office.

- If your name (or your spouse's name) or address is wrong, cross it out and make the corrections directly on the label.
- If any other information is incorrect or missing—or if you do not have a mailing label—enter the correct information in the white spaces. (Your social security number(s) is printed in the upper left-hand corner of the label; your county of residence is in the lower right-hand corner.) If this information is not on your label, enter it in the white spaces at the top of the form.

School district name and code number

Enter the name and code number of your public school district. This is the district where you were a resident on December 31, 1986. School districts and code numbers are on pages 31 through 34 of these instructions. If you do not know the name of your school district, contact your nearest public school.

Caution: You must enter your school district and code number even if you were absent from the school district temporarily, if the school your children attended was not in your school district, or if you had no children attending school. Also, school aid may be affected if the school district or code number is not correct.

Occupation(s)—Enter your occupation. If you are married, also enter your spouse's occupation.

Permanent home address

Enter your permanent home address within New York State on December 31, 1986 if it is not the same as the address on your mailing label.

Information about your permanent home address is being requested to enable verification of your school district name and code number, which are used in the calculation of state aid to local school districts.

Your permanent home address is the address of the dwelling place in New York State where you actually live, whether it is owned or rented

by you or your spouse. A summer or vacation home does not qualify as your permanent home.

Your permanent home address is not always the same as the mailing address that is entered on your income tax return. For example, although you may use a post office box number for your mailing address, this would not be your permanent home address.

- If you use a paid preparer, and you use the preparer's address as your mailing address, enter the address of your permanent home in the space provided.
- If you are a permanent resident of a nursing home, enter the address of the nursing home as your permanent home address.
- If you are a member of the armed forces and your permanent home was in New York State when you entered the military, enter your New York permanent home address regardless of where you are stationed.
- If you are married and maintain separate New York State residences and are filing separate New York State returns on separate forms, enter as your permanent home address the address of your own residence.
- If you moved out of state prior to December 31, 1986, enter as your permanent home address the address of the New York State residence you occupied last in 1986.
- If you moved after December 31, 1986, enter the address of your permanent home on December 31, 1986, not your current home address.

For additional information, see Publication 45, *Permanent Home Address and School District Information*.

Death of taxpayer — If a taxpayer is deceased, enter first name and date of death.

If you do not have a mailing label, enter all of the following information on the lines at the top of page 1 of your return:

- Name and address** (both names if filing a joint or combined return)
- Permanent home address** (if different from mailing address)
- If taxpayer is deceased** (enter first name and date of death)
- Social security number(s)**
- New York State county of residence** (on December 31, 1986)
- School district name and code**
- Occupation(s)**

Step 6

Sign and date your return at the bottom of page 2.

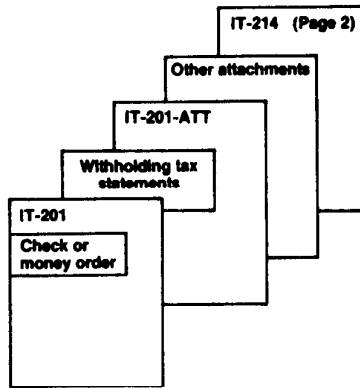
You must sign and date your return. If you are married and filing a joint or combined return, you must both sign it. **Your return cannot be processed if you do not sign it.**

You should have a copy of your return and attachments and keep them in a safe place if you need to refer to them later. If someone prepares your return for you, be sure to get a copy for your records.

If the return is for someone who died and there is no surviving spouse to sign it, the name and address of the person signing it must be printed or typed below the signature.

Paid preparer must also sign your return

If you pay someone to prepare your return, the paid preparer must also sign it and fill in the other blanks in the paid preparer's area of your return. A person who prepares your return and does not charge you should not fill in the paid preparer's areas.



Step 7

Attachments

- Attach Copy 2 of your wage and tax statement(s) and any other forms and schedules you used to the **back** of your return at the upper left corner. (Please staple once only.) Staple them in the following order:
 - 1 Copy 2 of your wage and tax statements, face out
 - 2 Form IT-201-ATT
 - 3 Other New York State forms in form number order, including Form IT-203 if you are required to file one due to a change of resident status (but not Form IT-214—see 5 below)
 - 4 Any other schedules you used or prepared yourself, including copies of federal schedules
 - 5 Form IT-214, page 2 facing forward (page 1 facing out on back)
- If you owe any tax, staple your check or money order to the **top of the front** of Form IT-201.
- If you have to write to us, attach your letter to the front of your return.

Step 8

Checklist

Before you mail your return, a quick check will help you avoid common errors that may delay your refund. **Did you:**

- Attach your peel-off label?** If you do not have a label, did you enter your name, address, social security number(s), county of residence, school district name and code number and occupation(s) at the top of your return?
- Enter your permanent home address?** (if different from your mailing address)
- Check your filing status box?**
- Check the Yes or No box at item B of Form IT-201?**
- Check the standard or itemized deduction box on line 45 of Form IT-201?**
- Enter the number of exemptions in the box(es) on Form IT-100, line 1 or Form IT-201, line 47?**

- Claim any adjustments or credits that you may qualify for?**
- Use the correct tax rate schedule?** (Form IT-201)
- Use the maximum tax rate, if you qualify?** (See Form IT-201, line 51 instructions.)
- Sign your return?** (Both husband and wife must sign a joint or combined return.)
- Attach Copy 2 of your wage and tax statement(s)?**
- Make your check or money order payable to "New York State Income Tax" for the full amount you owe?** (Form IT-201)
- Write your social security number and "1986 income tax" on your check or money order?** (Form IT-201)

Step 9

Use the preaddressed mailing envelope

To speed your refund, use the preaddressed envelope that came with your tax packet. If you are claiming a refund, mark an "X" in the box on the front of the envelope. If you do not have a preaddressed envelope address your envelope—

For refund returns:

New York State Income Tax
 W. A. Harriman Campus —
 REFUND '86
 Albany, NY 12227-0125

For all other returns:

New York State Income Tax
 W.A. Harriman Campus
 Albany, NY 12227-0125

Summary of Other Credits and Taxes

If you are claiming other New York State credits or if you are subject to other New York State or City of New York taxes (both listed below), fill in Form IT-201-ATT and attach it to your return. If you need more forms or schedules, see *Forms and Assistance* on page 8 of these instructions.

Columns A and B

Form IT-201-ATT has two entry columns. If you checked filing status ③, enter your own credits and taxes in the same columns as Form IT-201. All others use column A only.

Schedule OC Other NY State Credits

If you are claiming other New York State credits listed below, fill in Schedule OC. These credits do not apply to City of New York taxes. New York State does not allow any credits similar to those allowed under federal law for the elderly, earned income, political contributions, etc.

Line 1

Resident credit

Enter the amount of resident credit. If your income is from sources outside New York State and if you paid income taxes to another state, to a political subdivision of another state, or to the District of Columbia, you may qualify for a tax credit against your New York State tax (Section 620 of the Tax Law).

If you qualify, figure this credit on Form IT-112R, *Resident Tax Credit*, and transfer the amount to Form IT-201-ATT, line 1. Attach Form IT-112R and a copy of the tax return filed with the other state to your New York State return. For more information, see Form IT-112R. For information on the resident credit against the separate tax on lump sum distributions, see line 9b instructions on page 24.

Line 2

Accumulation distribution credit

Enter the amount of accumulation distribution credit. If you are a beneficiary of a trust who received an accumulation distribution, you may be allowed a credit for New York State income taxes paid by the trust (Section 621 of the Tax Law). Attach a schedule showing how you figured your credit.

Line 3

NY State child and dependent care credit

Enter the amount of New York State child and dependent care credit (Section 606(c) of the

88

w). You can claim this credit if you were

allowed a child and dependent care credit on your federal income tax return. Enter in the boxes on line 3 the number of qualifying persons cared for in 1986 and the amount of federal child and dependent care credit. You can claim 20 percent of your federal credit, but not more than the tax on Form IT-201, line 53, less any resident credit and accumulation distribution credit claimed on lines 1 and 2 of this schedule.

Child and Dependent Care Credit Worksheet

- a. Enter your federal credit for child and dependent care expenses a. _____
- b. Tentative credit. Enter 20 percent of line a b. _____
- c. Enter your tax from Form IT-201, line 53 c. _____
- d. Enter the combined credit claimed on lines 1 and 2, Schedule OC d. _____
- e. Subtract line d from line c e. _____
- f. Enter the amount of line b or line e, whichever is smaller f. _____

This is your New York State child and dependent care credit.

Transfer the amount on line f to Schedule OC, line 3. Also, transfer the amount on line a (federal credit) to line 3 in the box to the right of the dollar sign (\$).

If you checked filing status ③ transfer your credit to the column of the spouse having the smaller New York taxable income (see Form IT-201, line 50).

Line 4

Investment credit and retail enterprise credit

Enter the amount of investment credit and retail enterprise credit. If you produce goods by manufacturing, processing, mining, agriculture or similar activities, you can claim a tax credit for investment in certain depreciable or recovery property and for qualified rehabilitation expenditures on property located in New York State (Section 606(a) of the Tax Law). To figure this credit, fill in Form IT-212, *Investment Credit and Retail Enterprise Credit*, and attach it to your return. For more information, see IT-212-I, *Instructions for Form IT-212*.

Note: You can claim the investment credit and retail enterprise credit or the research and development credit, but not both. For more information on the research and development credit, see line 7 instructions.

Line 5

Special additional mortgage recording tax credit

Enter the amount of special additional mortgage recording tax paid to record a

mortgage for the purchase of residential property consisting of more than six dwelling units or the purchase of business property. If you are the lender, enter the amount of special additional mortgage recording tax you paid to record the mortgage for residential property containing six dwelling units or less with separate cooking facilities. This credit does not apply to the tax paid to record the mortgage on a single residential dwelling unit where you are the purchaser. If you are claiming this credit, see additions A-7 and A-8 on page 11 of these instructions.

Partners—Include your distributive share of the special additional mortgage recording tax credit from Form IT-204.

Electing New York S corporation shareholders—Include your prorated share of the S corporation's special additional mortgage recording tax from Form CT-3S.

Line 6

Solar and wind energy credit carryover

Enter the amount of solar and wind energy credit carryover. 1985 was the last year that taxpayers filing on a calendar-year basis could claim this credit. Section 606(c)(2)(6) provides that any unused credit can be carried over to the following year or years. Taxpayers carrying over any unused credit from 1985 to 1986 should attach a copy of their 1985 Form IT-218, *Solar and Wind Energy Credit*, to their 1986 return.

Line 7

Research and development credit

Enter the amount of research and development credit. If you use certain property for research and development purposes in the experimental or laboratory sense, you can claim this credit. Qualified property must be located in New York State and be depreciable or recovery property purchased after June 30, 1982 for use in a trade or business (Section 606(h) of the Tax Law). To figure this credit, fill in Form IT-217, *Research and Development Credit*, and attach it to your return. For more information, see IT-217-I, *Instructions for Form IT-217*.

Note: You can claim the research and development credit or the investment credit, and retail enterprise credit but not both. For more information on the investment credit and retail enterprise credit, see line 4 instructions.

Line 8

Total

Add lines 1 through 7; enter the total on line 8; and transfer it to Form IT-201, line 56. If you checked filing status ③, transfer the line 8 totals to the same columns of Form IT-201, line 56. You cannot apply any of your unused credits against the tax of your spouse.

Schedule OT

Other NY State Taxes

If you are subject to other New York State taxes as listed below, you must complete Schedule OT.

Line 9a

NY State separate tax on lump sum distributions

Enter your New York State separate tax on lump sum distributions. If you received a lump sum distribution from a qualified retirement plan and if you have elected the special ten-year averaging method of figuring your federal tax on the ordinary income portion of the lump sum distribution, figure your state separate tax on Form IT-230 or Form IT-230.1 and attach it to your return. For more information, see IT-230-1, *Instructions for Forms IT-230 and IT-230.1*.

Line 9b

Resident credit against separate tax on lump sum distributions

Enter the amount of resident credit you are claiming against the separate tax on lump sum distributions. If you received a distribution which is considered a lump sum distribution for federal income tax purposes, you may qualify for a credit against the state separate tax on lump sum distributions reported on line 9a. This distribution must be from sources outside New York State and must be subject to income tax or to a separate tax by another state, by a political subdivision of another state, or by the District of Columbia.

To claim this credit, fill in Form IT-112.1, *Resident Credit Against Separate Tax on Lump Sum Distributions*. Attach Form IT-112.1 and a copy of the tax return filed with the other state to your New York return.

Line 9c

Subtract 9b from line 9a and enter the result.

Line 10

NY State minimum income tax

Enter your New York State minimum income tax. If you had New York State tax preference items (see Form IT-220, line 21) totaling more than \$5,000 (\$2,500 if married and filing separately), you may be subject to the state minimum income tax. Fill in Form IT-220 and attach it to your return. For more information, see IT-220-1, *Instructions for Form IT-220*.

Line 11

NY State separate tax on PASS funds

Enter your New York State separate tax on PASS funds. The separate tax on PASS funds is figured on the total assets of a PASS fund if the fund terminates because it no longer has any eligible beneficiaries, or if the creator of the fund died without having included a provision in his will or having made an inter

vivos (living) trust provision to continue the fund after his death.

Fill in form IT-270 and attach it to your return. For more information, see Publication 320, *Tuition Deduction and the PASS Plan*.

Line 12

Add-back of investment credit and retail enterprise credit on early dispositions

Enter the amount of add-back of investment credit and retail enterprise credit on early dispositions of investment credit property. If you dispose of property on which an investment credit and retail enterprise credit has been taken or if the property ceases to be in qualified use before the end of its useful life or specified holding period ends, you must add back in the year of disposition the difference between the investment credit and retail enterprise credit taken and the investment credit and retail enterprise credit allowed.

Fill in Form IT-212 and attach it to your return.

Line 13

Add-back of research and development credit on early dispositions

Enter the amount of add-back of research and development credit on early dispositions of property. If you dispose of property on which the research and development credit has been taken, or if the property was removed from qualified use before its useful life or specified holding period ends, you must add back in the year of disposition the difference between the credit claimed and the credit allowed for actual use. Complete Form IT-217, *Research and Development Credit*, and attach it to your return.

Line 14

Total

Add lines 9c through 13; enter the total on line 14; and transfer this amount to Form IT-201, line 58.

Schedule NYC

Other City of NY Taxes

If you are subject to other City of New York taxes as listed below, complete Schedule NYC.

Line 15

Part-year City of NY resident tax

Enter your part-year City of New York resident tax. If you were a City of New York resident for only part of 1986, but a New York State resident for all of 1986, fill in Form IT-360.1 and attach it to your return. If you were subject to the City of New York nonresident earnings tax for the remainder of the year, see *City Nonresident Earnings Taxes* on page 7 of these instructions. For more information, see IT-360.1-1, *Instructions for Form IT-360.1*.

Line 16

City of NY minimum income tax

Enter your City of New York minimum income

tax. If you are a City of New York resident and you are subject to the New York State minimum income tax, you must also figure your **City of New York** minimum tax on Form IT-220 and attach it to your return. For more information, see IT-220-1, *Instructions for Form IT-220*.

Line 17

City of NY separate tax on lump sum distributions

Enter your City of New York separate tax on lump sum distributions. If you are a City of New York resident and if you received a lump sum distribution from a qualified retirement plan and you chose the special ten-year averaging method of figuring your federal tax on the ordinary income portion of the lump sum distribution, figure your City of New York separate tax on Form IT-230 or IT-230.1 and attach it to your return. For more information, see IT-230-1, *Instructions for Forms IT-230 and IT-230.1*.

Line 18

City of NY separate tax on PASS funds

If you are a City of New York resident, enter your city separate tax on PASS funds. You may pay this tax if the PASS fund terminates because it no longer has an eligible beneficiary or if the creator of the fund died without having included a provision in his will or without having made an inter vivos (living) trust provision to continue the fund after his death.

Fill in Form IT-270 and attach it to your return. For more information, see Publication 320, *Tuition Deduction and the PASS Plan*.

Line 19

Total

Add lines 15 through 18; enter the total on line 19; and transfer this amount to Form IT-201, line 62.

Line 20

Investment credit and retail enterprise credit refund for new business

Enter the amount of investment credit and retail enterprise credit refund for new businesses. If your new business qualifies, you can claim a refund for the amount of your current year's unused investment credit, and retail enterprise credit instead of carrying it over to next year. For more information see IT-212-1, *Instructions for Form IT-212*.

Important: Also include the amount of your investment credit and retail enterprise credit refund for new businesses on Form IT-201 in the total for line 70. On the dotted line next to line 70, write "ICR" and show the amount.

Line 21

Net investment credit available for carryover to 1987

Enter the amount of net credit available for carryover to 1987 from Form IT-212, page 2, line 14(c).

School Districts and Code Numbers

Use this list to find the name and code number of the public school district located in the county where you were a resident on December 31, 1986. City of New York residents, look for your listing after Nassau County. Enter the school district name and code number at the top of page 1 of your return in the space provided. If you do not know the name of your school district, contact your nearest public school.

Caution: You must enter your school district and code number even if you were absent temporarily, if the school your children attended was not in your school district. or if you had no children attending school. Also, school aid may be affected if the school district or code number is not correct.

School District Name School District Code No.	School District Name School District Code No.	School District Name School District Code No.	School District Name School District Code No.
ALBANY	CATTARAUGUS (Cont'd)	CHENANGO (Cont'd)	DELAWARE (Cont'd)
Albany 005	Forestville 198	Chenango Forks 107	Oneonta 464
Berne-Knox (Westerlo) 050	Franklinville 205	Cincinnatus 113	Roscoe 545
Bethlehem 051	Frewsburg 208	De Ruyter 141	Roxbury 547
Cairo (Durham) 076	Gowanda 230	Greene 238	Sidney 586
Cohoes 122	Griffith Institute (Springville) 244	Harpursville 259	South Kortright 001
Duanesburg 153	Hinsdale 277	Mount Upton 415	Stamford 620
Green Island 236	Limestone 343	New Berlin 422	Unatego (Otsego-Unadilla) 649
Greenville 240	Little Valley 347	South New Berlin 604	Walton 663
Guilderland 246	Olean 462	Norwich 455	Worcester 711
Maplewood (Colonie) 371	Pine Valley (South Dayton) 497	Oxford 475	
Menands 388	Pioneer (Yorkshire) 498	Sherburne-Earlville 582	DUTCHESS
Middleburgh 393	Portville 512	Sidney 586	Arlington 022
Mohonasen - Draper (Rotterdam) 402	Randolph 522	South New Berlin 604	Beacon 040
Niskayuna 439	Randolph Children's Home 723	South Otselic (Georgetown) 606	Carmel 089
North Colonie 443	Rushford 550	Whitney Point 703	Dover Plains 149
Ravena-Coeymans (Selkirk) 524	Salamanca 556		Haldane (Phillipstown) 249
Schalmont (Rotterdam) 568	West Valley 690		Hyde Park 293
Schoharie 572		CLINTON	Millbrook 396
South Colonie 595	CAYUGA	Ausable Valley (Keeseville) 026	Pawling 483
Voorheesville 660	Auburn 025	Beekmantown 043	Pine Plains 496
Watervliet 674	Cato Meridian 092	Chateaugay 102	Poughkeepsie 514
	Groton 245	Chazy 105	Red Hook 526
ALLEGANY	Hannibal 257	Dannemora 139	Rhinebeck 531
Alfred Almond 010	Homer 281	N. Eastern Clinton 418	Spackenkill 612
Andover 017	Jordan Elbridge 315	Northern Adirondack 453	Taconic Hills (Copake) 632
Angelica 018	Moravia 407	Peru 492	Wappingers Falls 665
Arkport 021	Oswego 472	Plattsburgh 503	Webutuck (Northeast) 680
Belfast 044	Port Byron 507	Saranac 560	
Belmont 047	Red Creek 525	Saranac Lake 561	
Bolivar 054	Skaneateles 588		ERIE
Canaseraga 083	Southern Cayuga 609		Akron 004
Cuba 138	Union Springs 650	COLUMBIA	Alden 007
Fillmore 192	Weedsport 681	Chatham 103	Amherst 719
Friendship 209		East Greenbush 158	Attica 024
Greenwood 242	CHAUTAUQUA	Germantown 221	Buffalo 073
Hinsdale 277	Bonus Point 048	Hudson 289	Cheektowaga 106
Keshequa (Dalton-Nunda) 320	Brocton 067	Ichabod Crane (Kinderhook) 294	Cheektowaga-Maryvale 378
Letchworth (Gainsville) 339	Cassadaga Valley 091	New Lebanon 426	Cheektowaga-Sloan 589
Pioneer (Yorkshire) 498	Chautauqua 104	Pine Plains 496	Clarence 114
Portville 512	Clymer 119	Red Hook 526	Cleveland Hill 115
Richburg 532	Dunkirk 155	Schodack 571	Depew 145
Rushford 550	Falconer 189	Taconic Hills (Copake) 632	East Aurora 156
Scio 575	Forestville 198	Webutuck (Northeast) 680	Eden 171
Wellsville 683	Fredonia 206		Frontier 210
Whitesville 702	Frewsburg 208	CORTLAND	Gowanda 230
	Gowanda 230	Cincinnatus 113	Grand Island 232
BROOME	Jamestown 306	Cortland 134	Griffith Institute (Springville) 244
Afton 003	Jamestown (Southwestern) 611	De Ruyter 141	Hamburg 251
Bainbridge Guilford 031	Mayville 384	Dryden 152	Holland 278
Binghamton 053	Panama 479	Fabius (Pompey) 187	Iroquois 300
Chenango Forks 107	Pine Valley (South Dayton) 497	Greene 238	Kenmore — Town of Tonawanda 319
Chenango Valley 108	Randolph 522	Groton 245	Lackawanna 326
Cincinnatus 113	Ripley 536	Homer 281	Lake-Shore (Evans-Brant) 330
Deposit 146	Sherman 500	Marathon 372	Lancaster 332
Greene 238	Silver Creek 587	McGraw 365	Maryvale (Cheektowaga) 378
Harpursville 259	Westfield 692	Newark Valley 432	North Collins 442
Johnson City 313		Tully 646	Orchard Park 468
Maine Endwell 364	CHEMUNG	Whitney Point 703	Pioneer (Yorkshire) 498
Marathon 372	Corning 132		Silver Creek 587
Newark Valley 432	Elmira 182	DELAWARE	Sloan (Cheektowaga) 589
South Mountain-Hickory 720	Elmira Heights 183	Andes 016	Sweet Home 628
Susquehanna Valley 627	Horseheads 287	Bainbridge Guilford 031	Tonawanda (City of) 638
Union-Endicott 651	Newfield 436	Charlotte Valley 101	West Seneca 669
Vestal 658	Odessa Montour 460	Delaware Valley 143	Williamsville 706
Whitney Point 703	Spencer Van Etten 613	Delhi 144	
Windsor 710	Watkins Glen 675	Deposit 146	ESSEX
	Waverly 676	Downsville 150	Ausable Valley (Keeseville) 026
CATTARAUGUS		Franklin 203	Crown Point 137
Allegany 011	CHENANGO	Gilboa Conesville 223	Elizabethtown (Lewis) 179
Cattaraugus 094	Afton 003	Hancock 256	Keene 317
Cuba 138	Bainbridge Guilford 031	Jefferson 310	Lake Placid 328
Elliottsville 181	Brookfield 070	Livingston Manor 349	Minerva 399

School Districts and Code Numbers

School District Name School District Code No.	School District Name School District Code No.	School District Name School District Code No.	School District Name School District Code No.
ESSEX (Cont'd)	HAMILTON (Cont'd)	LIVINGSTON (Cont'd)	MONTGOMERY (Cont'd)
Morriston 406	Lake Pleasant 329	Mount Morris 413	Scotia Glenville 570
Newcomb 434	Long Lake 354	Naples 420	Sharon Springs 579
Putnam 517	Morehouse 721	Pavilion 482	Springfield 616
Saranac Lake 561	Northville 454	Perry 490	St. Johnsville 618
Schroon Lake 573	Piseco 499	Wayland 677	
Ticonderoga 636	Poland 506	Wheatland Chili 697	NASSAU
Westport 696	Raquette Lake 523	York 716	Amityville 014
Willsboro 707	Wells 682		Baldwin 032
		MADISON	Bellmore 046
FRANKLIN	HERKIMER	Brookfield 070	Bellmore-Merrick CHS*
Ausable Valley (Keeseville) 026	Adirondack (Boonville) 002	Canastota 084	Bethpage 052
Brasher Falls (St. Lawrence) 058	Dolgeville 148	Cazenovia 095	Carle Place 088
Brushton Moira 072	Fort Plain 201	Chittenango 111	Cold Spring Harbor 123
Chateaugay 102	Frankfort (Schuyler) 202	De Ruyter 141	East Meadow 162
Malone 365	Herkimer 268	East Syracuse (Minoa) 167	East Rockaway 166
Northern Adirondack 453	Holland Patent 279	Edmeston 174	East Williston 168
Salmon River 558	Ilion 295	Fabius (Pompey) 187	Elmont 184
Saranac Lake 561	Little Falls 346	Hamilton 252	Farmingdale 191
St. Regis Falls 619	Mohawk 401	Madison 361	Floral Park (Ballerose) 195
Tupper Lake 647	Mount Markham (Bridgewater- W. Winfield) 412	Manlius (Fayetteville) 370	Franklin Square 204
	New Hartford 424	Morrisville Eaton 411	Freeport 207
FULTON	Oppenheim Ephratah 467	Mount Markham (Bridgewater- W. Winfield) 412	Garden City 214
Amsterdam 015	Owen D. Young (Hornesville) 474	New Berlin 422	Glen Cove 224
Broadalbin 065	Poland 506	Oneida 463	Great Neck 234
Dolgeville 148	Remsen 528	Sherburne-Earlville 582	Hempstead 265
Edinburg 173	Richfield Springs 533	Sherrill 584	West Hempstead 687
Fonda Fultonville 197	Sauquoit Valley 564	South Otselic (Georgetown) 606	Herricks 270
Fort Plain 201	Springfield 616	Stockbridge Valley 624	Hewlett Woodmere 272
Galway 212	St. Johnsville 618	Waterville 673	Hicksville 273
Gloversville 227	Town of Webb 639		Island Park 302
Johnstown 314	West Canada Valley 685	MONROE	Island Trees 303
Mayfield 383	Whitesboro 701	Avon 029	Jericho 311
Northville 454		Brighton 063	Lawrence 337
Oppenheim Ephratah 467	JEFFERSON	Brockport 066	Levittown 340
Perth 491	Alexandria Bay (Alexandria) 009	Byron Bergen 075	Locust Valley 352
St. Johnsville 618	Belleville — Henderson 045	Caledonia Mumford 077	Long Beach 353
Wheelerville 698	Carthage 090	Churchville Chili 112	Lynbrook 357
	Copenhagen 129	East Irondequoit 160	Malverne 366
GENESEEE	General Brown 217	East Rochester 165	Manhasset 368
Akron 004	Gouverneur 229	Fairport 198	Massapequa 379
Albion 006	Hammond (Alexandria Common) 253	Gates Chili 216	Merrick 389
Alden 007	Indian River 297	Greece 235	North Merrick 444
Alexander 008	La Fargeville 324	Hilton 276	Mineola 398
Attica 024	Lyme 356	Holley 280	New Hyde Park
Batavia 036	Sackets Harbor (Hounsfield) 288	Honeoye Falls-Lima 283	(Garden City Park) 425
Brockport 066	Sandy Creek 559	Irondequoit (West Irondequoit) 299	North Bellmore 441
Byron Bergen 075	South Jefferson 600	East Irondequoit 160	North Merrick 444
Caledonia Mumford 077	Thousand Islands 634	Kendall 318	North Shore (Sea Cliff) 448
Eida 177	Watertown 072	Penfield 400	Oceanside 459
Le Roy 338		Pittsford 500	Oyster Bay (East Norwich) 476
Medina 387	LEWIS	Rochester 538	Plainedge 501
Oakfield Alabama 458	Adirondack (Boonville) 002	East Rochester 165	Plainview (Old Bethpage) 502
Pavilion 482	Beaver River 041	Rush Henrietta 549	Port Washington 511
Pembroke 487	Camden 079	Spencerport 614	Rockville Centre 539
Royalton Hartland 548	Carthage 090	Victor 659	Roosevelt 544
Wyoming 714	Copenhagen 129	Wayne 678	Roslyn 546
	Harrisville 261	Webster 679	Seaford 577
GREENE	Lowville 355	Wheatland Chili 097	Sewanhaka*
Cairo (Durham) 076	Sandy Creek 559		Syosett 630
Catskill 093	South Jefferson 600	MONTGOMERY	Uniondale 652
Coxsackie Athens 135	South Lewis 602	Amsterdam 015	Valley Stream CHS*
Gilboa Conesville 223		Canajoharie 081	Valley Stream Hempstead-13 655
Greenville 240	LIVINGSTON	Cherry Valley 109	Valley Stream Hempstead-24 656
Hunter Tannersville 291	Avon 029	Cobleskill 120	Valley Stream Hempstead-30 657
Margaretville 375	Caledonia Mumford 077	Duanesburg 153	Wantagh 664
Onteora 466	Canaseraga 083	Fonda Fultonville 197	West Hempstead 687
Ravena-Coeymans (Selkirk) 524	Danville 140	Fort Plain 201	Westbury 691
Windham Ashland (Jewett) 709	Genesee 218	Galway 212	
	Honeoye 282	Johnstown 314	NEW YORK CITY
HAMILTON	Honeoye Falls-Lima 283	Owen D. Young (Hornesville) 474	Bronx 068
Indian Lake 296	Keshequa (Dalton-Nunda) 320	Perth 491	Brooklyn (Kings County) 071
Inlet 298	Le Roy 338	Schalmont (Rotterdam) 568	Manhattan (NY County) 369
	Livonia 350	Schoharie 572	Queens 519
			Staten Island
			(Richmond County) 622

* Do not use a high school district (CHS) in Bellmore-Merrick, Sewanhaka or Valley Stream. Use the code number for the elementary school district where you live.

**School District Name
School District Code No.**

NIAGARA
Akron 004
Barker 035
Lewiston Porter 341
Lockport 351
Medina 387
Newfane 435
Niagara Falls 437
Niagara Wheatfield 438
North Tonawanda 450
Royalton Hartland 548
Star Point 621
Wilson 708

ONEIDA
Adirondack (Boonville) 002
Brookfield 070
Camden 079
Central Square 098
Clinton 117
Holland Patent 279
Madison 361
Mount Markham (Bridgewater-
W. Winfield) 412
New Hartford 424
New York Mills 430
Oneida 463
Oriskany 469
Poiano 506
Remsen 528
Rome 541
Sauquoit Valley 564
Sherrill 584
Stockbridge Valley 624
Sylvan Beach (Verona) 629
Town of Webb 639
Utica 653
Waterville 673
West Canada Valley 685
Westmoreland 695
Whitesboro 701

ONONDAGA
Baldwinsville 033
Cato Meridian 092
Cazenovia 095
Central Square 098
Chittenango 111
De Ruyter 141
East Syracuse (Minoa) 167
Fabius (Pompey) 187
Homer 281
Jamesville-Dewitt 307
Jordan Elbridge 315
La Fayette 325
Liverpool 348
Lyncourt (Salina) 358
Manlius (Fayetteville) 370
Marcellus 373
Moravia 407
North Syracuse 449
Onondaga 465
Phoenix 494
Skaneateles 566
Solvay 593
Syracuse 631
East Syracuse (Minoa) 167
North Syracuse 449
Tully 646
West Genesee (Camillus) 686
Westhill 694

ONTARIO
Canandaigua 082
East Bloomfield (Bloomfield) 157
Geneva 219
HO 282

**School District Name
School District Code No.**

ONTARIO (Cont'd)
Honeoye Falls-Lima 283
Livonia 350
Lyons 360
Marcus Whitman (Gorham-
Middlesex) 374
Naples 420
Newark 431
Palmyra (Macedon) 478
Penn Yan 489
Phelps-Clifton Springs 493
Pittsford 500
Red Jacket (Manchester-
Shortsville) 527
Victor 659
Wayland 677

ORANGE
Chester 110
Cornwall 133
Eldred 178
Florida (S.S. Seward) 196
Goshen 228
Greenwood Lake 243
Highland Falls 275
Marlboro 377
Middletown 394
Minisink Valley 400
Monroe Woodbury 403
Montgomery (Valley Central) 405
Newburgh 433
North Rockland (Haverstraw-
Stony Point) 445
Pine Bush 495
Port Jervis 510
Suffern (Ramapo) 626
Tuxedo 648
Walkkill 662
Warwick Valley 668
Washingtonville 669

ORLEANS
Albion 006
Barker 035
Brockport 066
Byron Bergen 075
Holley 280
Kendall 318
Lyndonville 359
Medina 387
Oakfield Alabama 458
Royalton Hartland 548

OSWEGO
Altmar Parish (Williamstown) 012
Camden 079
Cato Meridian 092
Central Square 098
Fulton 211
Hannibal 257
Mexico 390
Oswego 472
Phoenix 494
Pulaski 516
Sandy Creek 559
South Jefferson 600

OTSEGO
Bainbridge Guilford 001
Charlotte Valley 101
Cherry Valley 109
Cobleskill 120
Cooperstown 128
Edmeston 174
Franklin 203
Gilbertsville 222
Laurens 336
Milford 395

**School District Name
School District Code No.**

OTSEGO (Cont'd)
Morris 409
Mount Markham (Bridgewater-
W. Winfield) 412
Mount Upton 415
New Berlin 422
South New Berlin 604
Oneonta 464
Owen D. Young (Hornesville) 474
Richfield Springs 533
Richmondville 534
Schenevus (Andrew S. Draper) 570
Sharon Springs 579
Sidney 586
South New Berlin 604
Springfield 616
Unatego (Otego-Unadilla) 649
Worcester 711

PUTNAM
Brewster 060
Carmel 089
Garrison 215
Haldane (Philipstown) 249
Lakeland (Shrub Oak) 331
Mahopac 363
North Salem 447
Pawling 483
Putnam Valley 518
Wappingers Falls 665

RENSELAER
Averill Park 027
Berlin 049
Brittonkill (Brunswick Central) 064
Cambridge 078
East Greenbush 158
Geo. Washington (Brunswick
Common) 220
Hoosic Valley 284
Hoosick Falls 285
Ichabod Crane (Kinderhook) 294
Lansingburgh 334
Mechanicville 386
New Lebanon 426
Rensselaer 530
Schodack 571
Stillwater 623
Troy 642
Williams 704
Wynantskill 713

ROCKLAND
Nauet 419
New City (Clarkstown) 423
North Rockland (Haverstraw-Stony
Point) 445
Nyack 457
Pearl River 484
S. Orangetown 605
Spring Valley (East Ramapo) 615
Suffern (Ramapo) 626

ST. LAWRENCE
Alexandria Bay (Alexandria) 009
Brasher Falls (St. Lawrence) 058
Brushton Moira 072
Canton 087
Clifton Fine 116
Colton Pierrepont 124
Edwards - Knox 724
Gouverneur 229
Hammond (Alexandria Common) 253
Harrisville 261
Hermon Dekalb 269
Heuvelton 271
Indian River 297
Lisbon 345

**School District Name
School District Code No.**

ST. LAWRENCE (Cont'd)
Madrid Waddington 362
Massena 360
Morristown 410
Norwood Norfolk 456
Ogdensburg 461
Parishville-Hopkinton 480
Potsdam 513
Salmon River 558
St. Regis Falls 619
Tupper Lake 647

SARATOGA
Amsterdam 015
Ballston Spa 034
Broadalbin 065
Burnt Hills (Ballston Lake) 074
Corinth 131
Edinburg 173
Galway 212
Hadley Luzerne 247
Hudson Falls 290
Mechanicville 386
Niskayuna 439
Northville 454
Perth 491
Saratoga Springs 562
Schuylerville 574
Scotia Glenville 576
Shenendehowa 581
South Glens Falls 597
Stillwater 623
Waterford (Halfmoon) 670

SCHENECTADY
Amsterdam 015
Burnt Hills (Ballston Lake) 074
Duanesburg 153
Galway 212
Mohonasen - Draper (Rotterdam) 402
Niskayuna 439
Schalmont (Rotterdam) 568
Schenectady 600
Schoharie 572
Scotia Glenville 576
South Colonie 595

SCHOHARIE
Berne-Knox (Westerlo) 050
Cairo (Durham) 076
Canajoharie 081
Charlotte Valley 101
Cobleskill 120
Duanesburg 153
Fonda Fultonville 197
Gilboa Conesville 223
Greenville 240
Jefferson 310
Middleburgh 393
Richmondville 534
Schoharie 572
Sharon Springs 579
Stamford 620

SCHUYLER
Bradford 057
Corning 132
Dundee 154
Hammondsport 254
Horseneads 267
Odessa Montour 460
South Seneca 607
Spencer Van Etten 613
Trumansburg 643
Watkins Glen 675

SENECA
Border City 056
Clyde-Savannah 110

School District Name School District Code No.	School District Name School District Code No.	School District Name School District Code No.	School District Name School District Code No.
SENECA (Cont'd)	SUFFOLK (Cont'd)	TOMPKINS (Cont'd)	WAYNE (Cont'd)
Geneva 219	Lindenhurst 344	Dryden 152	Red Creek 525
Lyons 360	Longwood 392	Groton 245	Sodus 592
Phelps-Clifton Springs 493	Mastic Beach (William Floyd) 381	Homer 281	Victor 659
Romulus 542	Mattituck (Cutchogue) 382	Ithaca 305	Wayne 678
Seneca Falls 578	Middle Country 391	Lansing 333	Webster 679
South Seneca 607	Miller Place 397	Moravia 407	Williamson 705
Trumansburg 643	Montauk 404	Newark Valley 432	
Waterloo 671	Mount Sinai 414	Newfield 436	WESTCHESTER
	New Suffolk 429	Odessa Montour 460	Ardley 019
STEBEN	North Babylon 440	South Cayuga 609	Armonk (Byram Hills) 029
Addison 001	Northport (East Northport) 452	Spencer Van Etten 613	Bedford (Mt. Kisco) 042
Alfred Almond 010	Oyster Ponds 477	Trumansburg 643	Briarcliff Manor 061
Andover 017	Patchogue (Medford) 481		Bronxville 069
Arkport 021	Port Jefferson 509	ULSTER	Chappaqua 100
Avoca 028	Quogue 521	Ellenville 180	Croton Harmon 136
Bath (Haverling) 037	East Quogue 164	Fallsburgh 190	Dobbs Ferry 147
Bradford 057	Remsenburgh (Speonk) 529	Highland 274	Eastchester 169
Campbell 080	Riverhead 537	Kingston 322	Edgemont (Greenburgh) 172
Canaseraga 083	Rooky Point 540	Livingston Manor 340	Elmstord 105
Canisteo 086	Sachem (Holbrook) 553	Margaretville 375	Greenburgh 237
Cohocton 121	Sag Harbor 554	Marlboro 377	Harrison 260
Corning 132	Sagaponack 555	Montgomery (Valley Central) 405	Hastings-on-Hudson 263
Dansville 140	Sayville 566	New Paltz 427	Hendrick Hudson 267
Elmira 182	Shelter Island 580	Onteora 466	Irvington 301
Greenwood 242	Shoreham-Wading River 585	Pine Bush 495	Katonah Lewisboro 316
Hammondsport 254	Smithtown 590	Rondout Valley 543	Lakeland (Shrub Oak) 331
Hornell 286	South Country (Bellport) 596	Saugerties 563	Mamaroneck 367
Jasper 308	South Haven 598	Tri Valley 640	Mt. Pleasant Central 417
Naples 420	South Huntington 599	Walkkill 662	Mount Vernon 416
Penn Yan 489	South Manor 603		New Rochelle 428
Prattsburg 515	Southampton 608	WARREN	North Salem 447
Savona 565	Southold 610	Bolton 055	Ossining 471
Troupsburg 641	Springs 617	Corinth 131	Peekskill 485
Wayland 677	Three Village 635	Glens Falls 225	Pelham 486
Whitesville 702	Tuckahoe Common	Glens Falls Common	Pleasantville 504
	(Southampton) 645	(Abraham Wing) 226	Pocantico Hills 505
	Waincott 661	Madley Luzerne 247	Port Chester (Rye) 508
	West Babylon 684	Hudson Falls 290	Putnam Valley 518
	West Islip 688	Lake George 327	Ridge Street
	West Manor (Manorville) 718	Minerva 399	(Blind Brook-Rye) 535
	Westhampton Beach 693	North Warren 451	Rye 551
	Wyandanch 712	Queensbury 520	Rye Neck 552
		Schroon Lake 573	Scarsdale 567
SUFFOLK	SULLIVAN	Ticonderoga 636	Somers 594
Amagansett 013	Delaware Valley 143	Warrensburg 666	Tarrytown 633
Amityville 014	Eldred 178		Tuckahoe 644
Babylon 030	Ellenville 180	WASHINGTON	Valhalla 654
North Babylon 440	Fallsburgh 190	Argyle 020	White Plains 699
West Babylon 684	Jeff Youngsville 309	Cambridge 078	Yonkers 715
Bay Shore 038	Liberty 342	Fort Ann 199	Yorktown Heights
Bayport Blue Point 039	Livingston Manor 349	Fort Edward 200	(Yorktown) 717
Brentwood 059	Minisink Valley 400	Fort Edward 200	
Bridgehampton 062	Monticello 406	Granville 233	WYOMING
Center Moriches 096	Narrowsburg 421	Greenwich 241	Alden 007
Center Islip 097	Pine Bush 495	Hartford 262	Alexander 008
Cold Spring Harbor 123	Port Jervis 510	Hoosic Valley 284	Attica 024
Commack 125	Roscoe 545	Hoosick Falls 285	Fillmore 192
Comsewogue (Brookhaven) 126	Tri Valley 640	Hudson Falls 290	Holland 278
Connetquot (Islip) 127		Lake George 327	Iroquois 300
Copiapue 130	TIOGA	Putnam 517	Keshequa (Dalton-Nunda) 320
Deer Park 142	Candor 085	Salem 557	Latchworth (Gainsville) 339
East Hampton 159	Dryden 152	Schuylerville 574	Pavilion 482
East Islip 161	Ithaca 305	Stillwater 623	Perry 490
East Moriches 163	Maine Endwell 364	Whitehall 700	Pioneer (Yorkshire) 498
East Quogue 164	Marathon 372		Warsaw 667
Eastport 170	Newark Valley 432	WAYNE	Wyoming 714
Elwood 186	Owego-Apalachin 473	Cato Meridian 092	York 716
Farmingdale 191	Spencer Van Etten 613	Clyde-Savannah 118	
Fire Island (Ocean Beach) 193	Tioga 637	Gananda 213	
Fishers Island 194	Union-Endicott 651	Lyons 360	
Greenport 239	Vestal 658	Marion 376	
Half Hollow Hills 250	Waverly 676	North Rose-Wolcott 446	
Hampton Bays 255	Whitney Point 703	Newark 431	
Harborfields 258		Palmyra (Macedon) 478	
Hauppauge 264	TOMPKINS	Penfield 488	
Huntington 292	Candor 085	Phelps-Clifton Springs 493	
South Huntington 599	Cortland 134	Port Byron 507	
Islip 304			
Central Islip 097			
East Islip 161			
West Islip 688			
Kings Park 321			
Laurel 335			

Index to Instructions

- A**
- Accelerated cost recovery system (ACRS)
 - deduction, NY addition for 11
 - NY year of disposition adjustment 12, 13
 - Accumulation distribution credit
 - City of New York 18
 - New York State 23
 - Add-back of investment credit and retail enterprise credit 24
 - Add-back of research and development credit 24
 - Additions
 - to federal income 11
 - to itemized deduction 15
 - Adjustments
 - NY additions to federal income 11
 - additions to itemized deduction 15
 - federal — see "Federal income and adjustments" 9
 - NY subtractions from federal income 12
 - subtractions from itemized deduction 15
 - Amended returns 6
 - Amortization 11, 13, 15
 - Amount you owe 19
 - Armed forces, members of 6
 - Assistance — see "Forms and assistance" 8
 - Attachments 21
- B**
- Basis (cost prior to 1960) 13
 - Beneficiaries
 - estates and trusts 11
 - PASS funds 11
 - Business income or (loss) 10
- C**
- Change of resident status 7
 - Changes for 1986 2
 - Changes in your federal income tax 6
 - Child and dependent care credit 23
 - City of NY taxes
 - nonresident earnings tax 3, 7, 18
 - resident tax 3, 18
 - City of Yonkers taxes
 - nonresident earnings tax 3, 18
 - resident income tax surcharge 3, 18
 - Credits against tax
 - City of New York 18
 - New York State 16, 17, 23
- D**
- Death of taxpayer 5
 - Deductions
 - NY itemized 14, 15
 - standard 15
 - subtractions from federal income 12
 - Dependents, exemptions for 15
 - Depletion
 - cost 13
 - percentage 12
 - Depreciation
 - NY subtraction for 13
 - additional 11, 13
 - Domicile, defined 6
- E**
- Education expenses 5
 - Estate and trusts 7
 - Estimated tax
 - City of New York 19
 - City of Yonkers 19
 - payments 6
 - New York State 19
 - underpayment of 20
 - Exemptions 15
 - Extension of time to file 5, 19
- F**
- Family adjustment 15
 - Federal
 - changes 6
 - income and adjustments 9
 - Filing requirements 3
 - Forms and assistance 8
 - Fraudulent returns 6
- G**
- Gift for wildlife 18, 22
- H**
- Household credit 5, 16
- I**
- Income
 - federal — see "Federal income and adjustments" 9
 - New York taxable 16
 - personal service 5, 16
 - tax withheld on 18
 - total New York 14
 - Information — see "Forms and assistance" 8
 - Interest, late payment of tax 6
 - Investment credit and retail enterprise credit 23
 - add-back of 24
 - refund of 24
 - Items of Tax Preference — see "Minimum Income Tax" 24
 - Itemized deduction New York 14, 15
- L**
- Lump sum distributions
 - resident credit against separate tax on 24
 - separate tax on 24
- M**
- Mailing label 9, 20
 - Maximum tax on personal service income 5, 16
 - Members of the armed forces 6
 - Minimum income tax 24
- N**
- Name and social security number 7
 - Net income, New York 15
 - New business investment
 - deferral 13
 - deferral recognition 12
 - exclusion 13
 - Nonresident
 - defined 6
 - earnings taxes 7, 18
- O**
- Overpayment 19
- P**
- Partners 7
 - Part-year City
 - resident taxes 7, 24
 - Part-year residents 7
 - PASS funds 5, 11
 - Payments 18
 - Payments of estimated tax 6
 - Penalties and interest 6
 - Pension and annuity income
 - exclusion 12
 - Pensions and annuities 10, 12
 - Permanent home address 20
 - Permanent place of abode 7
 - Personal service income 5, 16
 - Preparers, tax 5, 21
 - Privacy Act notice 7
 - Problem resolution program 8
 - Professional service corporations 11
- R**
- Real property tax credit 5, 18, 25
 - Refund
 - when to call about 8
 - Reminders (checklist) 21
 - Research and development credit 23
 - add-back of 24
 - Resident credit 23
 - Resident credit against separate tax on lump sum distributions 24
 - Resident, defined 6
 - Retail enterprise credit 23, 24
 - Returns
 - computer filled-in 8
 - processability — see "Penalties and Interest" 6
 - Rounding off to whole dollars 5
- S**
- S corporations 11, 12, 14
 - Safe harbor leasing 12, 13
 - Sale or exchange of property 10
 - School district names and codes 20, 31
 - Separate returns 4
 - Separate tax
 - lump sum distributions 24
 - PASS funds 24
 - Service personnel 6
 - Signatures 5, 20, 21
 - Social security number 7, 20
 - Solar and wind energy credit carryover 23
 - Standard deduction, New York 15
 - Steps for preparing your return 9
 - Subtractions
 - from federal income 12
 - from itemized deduction 15
- T**
- Taxable income, New York 16
 - Tax due (amount you owe) 19, 20
 - Tax on family adjustment 16
 - Tax rate schedules back cover
 - Tax withheld 18
 - Taxes, other 16, 17, 18, 23
 - Telephone assistance — see "Forms and assistance" 8
 - Total New York income 14
 - Trusts and estates 7
 - Tuition deduction 5
- U**
- U. S. citizens abroad,
 - get Publication 362 5
- W**
- Waste treatment facilities 11, 13
 - When to file 5
 - Where to file 5
 - Which form to file 3
 - Who must file 3
 - Who should file 3
 - Whole dollar amounts 5
 - Wildlife, gift for 18, 22
 - Wage and tax statements 5, 18, 21
 - Worksheets
 - child and dependent care credit 23
 - family adjustment 16
 - household credit 17
 - Yonkers resident tax surcharge 18

New York State Tax Rate Schedule

If amount on Form IT-201, line 50, is:
over **but not over**

Enter on Form IT-201, line 51:

over	but not over	Enter on Form IT-201, line 51:			
\$ 0	\$1,000	2% of amount on line 50			
1,000	3,000	\$ 20 plus	3% of amount over \$ 1,000		
3,000	5,000	80 plus	4%	" " "	3,000
5,000	7,000	160 plus	5%	" " "	5,000
7,000	9,000	260 plus	6%	" " "	7,000
9,000	11,000	380 plus	7%	" " "	9,000
11,000	13,500	520 plus	8%	" " "	11,000
13,500	16,000	720 plus	9%	" " "	13,500
* 16,000	18,500	945 plus	10%	" " "	16,000
18,500	21,000	1,195 plus	11%	" " "	18,500
21,000	23,500	1,470 plus	12%	" " "	21,000
23,500	26,000	1,770 plus	13%	" " "	23,500
26,000		2,095 plus	13.5%	" " "	26,000

* If the amount on Form IT-201, line 50, is more than \$16,000, you may qualify for a New York State maximum tax rate of 9.5% on personal service income. See page 16 of these instructions and Form IT-250.

You do not owe any New York State income tax if you were a New York State resident for the entire taxable year and you checked:

- Filing status ① and your Form IT-201, line 33 amount is \$4,000 or less.
- Filing status ② or ⑤ and your Form IT-201, line 33 amount is \$8,000 or less.
- Filing status ③ or ④ and your combined Form IT-201, line 33 amounts are \$8,000 or less.

City of New York Resident Tax Rate Schedule

If amount on Form IT-201, line 48, is:

over	but not over	Enter on Form IT-201, line 60:			
\$ 0	\$1,000	0.9% of amount on line 48			
1,000	3,000	\$ 9 plus	1.4% of amount over \$ 1,000		
3,000	5,000	37 plus	1.8%	" " "	3,000
5,000	7,000	73 plus	2.0%	" " "	5,000
7,000	9,000	113 plus	2.3%	" " "	7,000
9,000	11,000	150 plus	2.5%	" " "	9,000
11,000	13,000	209 plus	2.7%	" " "	11,000
13,000	15,000	263 plus	2.9%	" " "	13,000
15,000	17,000	321 plus	3.1%	" " "	15,000
17,000	19,000	383 plus	3.3%	" " "	17,000
19,000	21,000	449 plus	3.5%	" " "	19,000
21,000	23,000	519 plus	3.8%	" " "	21,000
23,000	25,000	595 plus	4.0%	" " "	23,000
25,000		675 plus	4.3%	" " "	25,000

You do not owe any City of New York resident income tax if you were a City of New York resident for the entire taxable year and you checked:

- Filing status ① and your Form IT-201, line 33 amount is \$5,500 or less.
- Filing status ② or ⑤ and your Form IT-201, line 33 amount is \$11,000 or less.
- Filing status ③ or ④ and your combined Form IT-201, line 33 amounts are \$11,000 or less.

Family Adjustment Tax Rate Schedule

If amount on Form IT-201, line 49, is:

over	but not over	Enter on Form IT-201, line 52:			
\$ 0	\$1,000	2% of amount on line 49			
1,000	3,000	\$20 plus	3% of amount over \$1,000		
3,000	4,000	\$80 plus	4% of amount over \$3,000		

Telephone Assistance

For forms and publications, in New York State only, call toll-free 1-800-462-8100
 From areas outside New York State, call (518) 438-1073

For information, in New York State only, call toll-free 1-800-342-3536
 From areas outside New York State, call (518) 438-8581

For refund information only, please wait until after April 15 to call toll-free, in New York State only, 1-800-443-3200
 From areas outside New York State, call (518) 438-6777

Telephone assistance is available from 8 a.m. to 5 p.m., Monday through Friday.

If you need to write, please address your letter to:
 New York State Tax Department
 Taxpayer Assistance Bureau
 W. A. Harriman Campus
 Albany, New York 12227-0125

Mail your return in the preaddressed envelope that came with your tax packet. If you do not have one, address your envelope —

For refund returns: New York State Income Tax
 W. A. Harriman Campus
 REFUND '86
 Albany, NY 12227-0125

For all other returns: New York State Income Tax
 W. A. Harriman Campus
 Albany, NY 12227-0125