Separate Tax on Lump-Sum Distributions   IT-230

New York State and City of New York Forward Averaging Methods

● Attach to Form IT-201, IT-203 or IT-205.

NEW YORK STATE DEPARTMENT OF TAXATION AND FINANCE

Name(s) as shown on return	Identifying number

Part I - Did you use federal Form 4972 to figure your federal tax on lump-sum distributions?   Yes ☐   No ☐

If you answered "No", do not complete the rest of this form. Your lump-sum distribution does not qualify for the forward averaging method.

Part II - Use this part if you completed Part II on federal Form 4972

☐ Check this box if you elected to treat the part of your distribution from pre-74 participation as capital gain

		New York State	City of New York
1 Capital gain part from federal Form 4972, Part II, line 1	**1**		
2 Multiply line 1 by 5.4% (.054) and enter here. (City of New York residents use both columns; multiply line 1 by 1.72% (.0172) to figure City tax). If you did not use Part III or Part IV on federal Form 4972, transfer the line 2 amount in the New York State column to Form IT-201-ATT, Part II, line 9a, or Form IT-203-ATT, Part II, line 9, in the applicable column, or to Form IT-205, page 1, line 16.	**2**		

City of New York residents — transfer the line 2 amount in the City of New York column to Form IT-201-ATT, Part IV, line 19, in the applicable column, or to Form IT-205, page 1, line 25.

Part III - Use this part if you completed Part III on federal Form 4972

1 Ordinary income from federal Form 4972, Part III, line 1	**1**	
2 Death benefit exclusion (see instructions)	**2**	
3 Total taxable amount (subtract line 2 from line 1)	**3**	
4 Current actuarial value of annuity, if applicable (from federal Form 4972, Part III, line 4)	**4**	
5 Adjusted total taxable amount (add lines 3 and 4). If this amount is $70,000 or more, skip lines 6 through 9, and enter this amount on line 10	**5**	
6 Multiply line 5 by 50% (.50) but do not enter more than $10,000 ...... **6**		
7 Subtract $20,000 from line 5. Enter difference. If line 5 is $20,000 or less, enter zero **7**		
8 Multiply line 7 by 20% (.20) **8**		
9 Minimum distribution allowance (subtract line 8 from line 6)	**9**	
10 Subtract line 9 from line 5	**10**	
11 Multiply line 10 by 20% (.20) (taxable balance)	**11**	

		New York State	City of New York
12 Tax on amount on line 11. Find tax by using the Single column of the tax tables in the instructions for Form IT-201 (City of New York residents use both columns)	**12**		
13 Multiply line 12 by 5. If you made no entry on line 4, skip lines 14 through 19, and enter this amount on line 20	**13**		
14 Divide line 4 by line 5 (carry to four decimal places)	**14**		%
15 Multiply line 9 by line 14	**15**		
16 Subtract line 15 from line 4	**16**		
17 Multiply line 16 by 20% (.20)	**17**		
18 Tax on amount on line 17. Find tax by using the Single column of the tax tables in the instructions for Form IT-201	**18**		
19 Multiply line 18 by 5	**19**		
20 Subtract line 19 from line 13	**20**		
21 Tax on lump-sum distribution (add Part II, line 2 and Part III, line 20). Enter here and transfer the line 21 amount in the New York State column to Form IT-201-ATT, Part II, line 9a, or Form IT-203-ATT, Part II, line 9, in the applicable column, or to Form IT-205, page 1, line 16.	**21**		

City of New York residents — transfer the line 21 amount in the City of New York column to Form IT-201-ATT, Part IV, line 19, in the applicable column, or to Form IT-205, page 1, line 25.

Part IV - Use this part if you completed Part IV on federal Form 4972

1 Ordinary income from federal Form 4972, Part IV, line 1 . . . . **I**

2 Death benefit exclusion *(see instructions)* **2**

3 Total taxable amount *(subtract line 2 from line 1)* **3**

4 Current actuarial value of annuity, if applicable (from federal Form 4972, Part IV, line 4) **4**

5 Adjusted total taxable amount *(add lines 3 and 4)* . If this amount is $70,000 or more, skip lines 6
   through 9, and enter this amount on line 10 . . . . **5**

6 Multiply line 5 by 50% (.50), but do not enter more than $10,000 . . . . **6**

7 Subtract $20,000 from line 5. Enter difference.
   If line 5 is $20,000 or less, enter zero **7**

8 Multiply line 7 by 20% (.20) **8**

9 Minimum distribution allowance *(subtract line 8 from line 6)* **9**

10 Subtract line 9 from line 5 . . . . **10**

11 Multiply line 10 by 10% (.10) (taxable balance) **11**

		New York State		City of New York	
12 Tax on amount on line 11. Use Tax Rate Schedule in Form IT-230 instructions (City of New York residents use both columns)	12				
13 Multiply line 12 by 10. If you made no entry on line 4, skip lines 14 through 19, and enter this amount on line 20	13				
14 Divide line 4 by line 5 *(carry to four decimal places)*	14			%	
15 Multiply line 9 by line 14	15				
16 Subtract line 15 from line 4	16				
17 Multiply line 16 by 10% (.10)	17				
18 Tax on amount on line 17. Use Tax Rate Schedule in Form IT-230 instructions	18				
19 Multiply line 18 by 10	19				
20 Subtract line 19 from line 13	20				
21 Tax on lump-sum distribution *(add Part II, line 2 and Part IV, line 20)* Enter here and transfer the line 21 amount in the New York State column to Form IT-201-ATT, Part II, line 9a, or Form IT-203-ATT, Part II, line 9, in the applicable column, or to Form IT-205, page 1, line 16	21				

City of New York residents — transfer the line 21 amount in the City of New York column to
Form IT-201-ATT, Part IV, line 19, in the applicable column, or to Form IT-205, page 1, line 25.