



New York State

Department of Taxation and Finance

New York State  
City of New York  
City of Yonkers

# Resident Instructions

Income  
Tax  
Return

# IT-201-I

## Instructions for Form IT-201

### Changes for 1988 (see page 2)

- New York State's Tax Reform and Reduction Act
- Top Tax Rate on Earned Income Reduced
- Standard Deduction Continues to Increase
- Itemized Deduction Reduced if Income is More than \$100,000
- Child Care Credit Claimed Directly on Form IT-201
- New York Exemptions Allowed Only for Dependents
- Two-earner Married Couple Deduction Repealed
- Rate of Additional Tax on Unearned Income Decreased
- Form IT-201-X Used to Report Federal Changes for 1988
- New Simplified Filing for Change of State Resident Status
- City of New York Household Credit Increased

### This booklet also contains:

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

### From the Commissioner

As New York's tax cuts and tax reform continue to phase in, there are several important changes which may affect the way you file and how you plan for the future.

The most important change to consider this year is whether it is to your advantage to use the standard deduction instead of itemizing your deductions. The standard deduction is greatly increased this year. For married couples it jumps from \$5,300 to \$8,500 and for single taxpayers from \$3,600 to \$5,000. Using the standard deduction will simplify filing for hundreds of thousands of taxpayers.

Other important changes include a simplified way of filing if you were a state resident for only part of the year, and of claiming the child care credit directly on the Form IT-201 without any attachments. Although personal exemptions may still be claimed for dependents, exemptions for taxpayers and their spouses have been eliminated. Instead, taxpayers will benefit from the greatly increased standard deduction. The two-earner deduction has also been eliminated because its benefit has been folded into the tax rate schedule. In addition, the maximum tax rate on earned income falls from 8.75% to 8.375%, and the additional tax on unearned income falls from 3% to 2%.

Because of these changes and the reductions in withholding taxes, some taxpayers who ordinarily receive refunds may now find that too little is being withheld. You should consider whether you need to change the amount of tax withheld by your employer. To do this, you have to file an IT-2104 with your employer.

There are additional changes for taxpayers in New York City. Along with maximum rates being lowered, the city household credit has been increased.

To take full advantage of the tax cuts and reform, review all of the changes carefully. As in the past years, trained technicians on our 1 800 CALL TAX hotline are on hand to answer your questions. We view each taxpayer as a client, and we are striving to provide you the information and service you need and should expect.

James W. Wetzler,  
Commissioner

# New York State's Tax Reform and Reduction Act of 1987

As New York's Tax Reform and Reduction Act of 1987 is fully implemented over the next four years, it will return more than \$11 billion in income taxes to state taxpayers -- including the windfall from federal tax reform.

The program has already consolidated many tax benefits into a larger standard deduction, eliminated the three-column tax return, and reduced paperwork and the number of tax forms. Further changes, described below, have been phased in for the 1988 tax year.

The following table compares the tax law in 1987 through 1991 when tax reform will be fully implemented:

	1987	1988	1989	1990	With Reform Fully Implemented 1991
Top rate on earned income	8.75%	<b>8.375%</b>	7.875%	7.375%	7%
Top rate on unearned income	8.75%*	<b>8.375%*</b>	7.875%	7.375%	7%
Standard married deduction	\$5,300	<b>\$8,500</b>	\$9,500	\$11,250	\$13,000
Standard head of household deduction	\$4,600	<b>\$6,000</b>	\$7,000	\$8,750	\$10,500
Standard single deduction	\$3,600	<b>\$5,000</b>	\$6,000	\$6,750	\$7,500
Dependent exemption amount	\$900	<b>\$1,000</b>	\$1,000	\$1,000	\$1,000

\* On New York Adjusted Gross Income of \$100,000 or less (\$50,000 or less if married filing a separate return)

## Specific Changes for 1988 include:

### • Top Tax Rate on Earned Income Reduced

The top tax rate on earned income for 1988 was reduced to 8.375 percent, down from 8.75 percent for 1987.

### • Standard Deduction Continues to Increase

The New York State standard deduction was raised again for 1988. For the new increased amounts, see the chart above.

### • Itemized Deduction Reduced if Income is More Than \$100,000

Beginning with 1988, you will not be able to claim all of your New York itemized deduction if your New York adjusted gross income is more than \$100,000. The amount of reduction varies according to your filing status and income.

### • Child Care Credit Claimed Directly on Form IT-201

You no longer have to attach Form IT-201-ATT to your Form IT-201 to claim the New York State child and dependent care credit. If you qualify, simply fill in the requested information on line 56 when completing your Form IT-201.

### • New York Exemptions Allowed Only for Dependents

Beginning in 1988, personal exemptions for you and your spouse are no longer allowed on your New York return. However, you can still claim a New York exemption for each dependent that you claimed on your federal return. The value of each New York dependent exemption is increased from \$900 to \$1,000.

### • Two-earner Married Couple Deduction Repealed

The new 1988 tax table for joint filers has eliminated the need for the two-earner married couple deduction.

### • Rate of Additional Tax on Unearned Income Decreased

The rate of additional tax on unearned income is lowered from 3% to 2% for 1988. This is the last year for this tax.

### • Form IT-201-X Used to Report Federal Changes for 1988

If the Internal Revenue Service makes changes to your 1988 federal return that have to be reported to New York State, you must file Form IT-201-X, *Amended Resident Income Tax Return*, within 90 days from the date the IRS makes its final determination. To report changes for earlier years, use Form IT-115, *Report of Federal Changes*. For more information on reporting federal changes, see the instructions for Form IT-201-X for 1988 or the instructions for Form IT-115 for prior years.

### • New Simplified Filing for Change of New York State Resident Status

The two-return filing requirement for New York State resident status changes is eliminated. Instead of filing Forms IT-201, IT-203 and IT-360, part-year state residents need file only Form IT-203. Form IT-360.1 will continue to be used to report changes of New York City or Yonkers resident status.

### • City of New York Household Credit Increased

New York City household credit amounts and income limitations have been increased for most filers having federal adjusted gross income not exceeding \$20,000. The previous limitation on income was \$17,500. The maximum New York City household credit is now \$50, up from \$30 in 1987.

## Who Must File

### New York residents

You must file a New York State resident return if you have to file a federal return or if you meet any of the conditions listed below. If you do not have to file a federal return, use the federal instructions to see what your filing status and federal adjusted gross income would have been. Then continue with these instructions to see if you must file a New York return. If you need help, call New York tax assistance toll free at 1 800 CALL TAX (1 800 225-5829) or see page 8 of these instructions.

You must file a New York return if you had federal adjusted gross income (plus New York additions\*) of more than:

If your federal filing status would have been:	
single, and you can be claimed as a dependent on another taxpayer's federal return	\$2,800
single, and you cannot be claimed as a dependent on another taxpayer's federal return or	
married filing joint return or	
married filing separate return or	
head of household or	
qualifying widow(er)	\$4,000

\* See instructions for lines 20 through 23 on pages 10 and 11 for an explanation of New York additions.

Even if your income was not more than the amounts shown above, you must file a New York return if:

- you are subject to the minimum income tax.
- you are subject to a separate tax on lump-sum distributions.
- you want to claim a refund of any New York State, New York City or Yonkers income tax that was withheld from your pay.

### Residents of New York City and Yonkers

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

### Nonresidents of New York City and Yonkers

If you are not a resident of New York City or Yonkers but you earned wages or self-employment income in either 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.

Forms NYC-203 and 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.

### 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 IT-204-I, *Instructions for Form IT-204*. If your partnership carried on a business in New York City, it may also be required to file Form NYC-204, *City of New York Unincorporated Business Tax Partnership Return*. For more information, see the instructions for Form NYC-204. You can get this form and its instructions by calling the NYC Department of Finance, Taxpayer Assistance at 1 (718) 935-6000, or by visiting the **NYC Department of Finance, Forms Distribution Window, 25 Elm Place, 3rd floor, Brooklyn, NY, from 9 a.m. to 5 p.m., Monday through Friday**. The NYC Department of Finance also operates an automated New York City tax forms ordering service, 24 hours a day, seven days a week; call 1 (718) 935-6739. Since New York State does not administer the New York City unincorporated business tax, do not file your NYC-204 with your state return.

### 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 Fiduciary Income Tax Return*. Each beneficiary of an estate or trust must include his or her share of the estate or trust income on Form IT-201. For more information on responsibilities of beneficiaries, see *Beneficiaries (estates and trusts)* on page 10 of these instructions.

**Estimated income tax for estates and trusts** — Estates and trusts are required to make estimated tax payments. However, estates are exempt from paying estimated tax for the first two years after the decedent's death. Generally, an estate or trust must pay estimated tax if the estate or trust is expected to owe, after subtracting its withholdings and credits, at least \$100 in New York income tax for 1989 and can expect withholding to be less than:

- 90% of the tax shown on the 1989 return, or
- 100% of the tax shown on the 1988 return (assuming the return covered all 12 months).

A trust fiduciary who makes an election to allocate the trust's estimated tax overpayment among the trust's beneficiaries must file Form IT-205-T. For more information, see the instructions for Form IT-205.

### Homeowners and renters

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 23 and Publication 308, *Real Property Tax Credit for Homeowners and Renters*.

### Deceased taxpayers

An executor, administrator or spouse has to file a New York State return for a taxpayer who died before filing a 1988 return. 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-100, Form IT-200 or Form IT-201, depending on which federal form was filed. The filing due date is the same as if the taxpayer had lived.

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 date of death.

If you are claiming a refund for a deceased taxpayer, you may have to file Form AU-281.17, *Survivor's Affidavit*. Call or write us for this form. See *How to get forms* on page 5 of these instructions.

### 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 and must file a resident return 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 New York City or 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 New York City or Yonkers taxes. However, if you meet the conditions for nonresident

## Who Must File *(continued)*

status, your military pay is not subject to the New York City or Yonkers nonresident earnings tax.

### Nonresidents and part-year residents

If you are a New York State nonresident or part-year resident (see *Resident, nonresident and part-year resident defined* below) and you had New York source income or any income during your resident period, you may have to file Form IT-203, *Nonresident and Part-year Resident Income Tax Return*, instead of Form IT-201. For more information, see the instructions for Form IT-203.

**City Taxes** — If you changed your New York City or Yonkers resident status during the year, you must complete Form IT-360.1, *Change of City Resident Status*, and pay New York City resident tax or a Yonkers resident income tax surcharge for the part of the year that you lived in New York City or 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 New York City or 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-360.1-1, *Instructions for Form IT-360.1*.

### Resident, nonresident and part-year resident 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 you intend to have as your permanent home. Your domicile is, in effect, the **state** where your permanent home is located. It is the place you intend to return to whenever you may be away (as on vacation abroad, business assignment, educational leave, or military assignment).

**You can have only one domicile.** Your New York domicile is not changed until you can demonstrate that you have abandoned your New York domicile and established a new permanent domicile outside of New York State.

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. For example: Mr. Green of ABC Electronics in Elmira, New York was temporarily assigned to the Atlanta, Georgia branch office for two years. After his stay in Atlanta, he returned to his job in New York. His domicile did not change during his stay in Georgia; it remained New York State.

If your domicile is New York State and you go to a foreign country because of a business assignment by your employer, or for study, research or any other purpose, your domicile

does not change unless you show that you definitely do not intend to return to New York. For more information, see Publication 362, *U.S. Citizens Abroad*.

A *permanent place of abode* is a residence (a building or structure where a person can live) you permanently maintain, whether you own it or not, and usually includes a residence your husband or wife 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:

- 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
- 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

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

#### Group B

- You were in a foreign country for at least 450 days during any period of 548 consecutive days; and
- 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
- During the nonresident portion of the taxable year in which the 548-day period either begins or ends, you were present in New York State for no more than the number of days which bears the same ratio to 90 as the number of days in such portion of the taxable year bears to 548. This condition is illustrated by the following formula:

$$\frac{\text{Number of days in the nonresident portion}}{548} \times 90 =$$

**Maximum number of days allowed in New York State.**

**Nonresident** — You are a New York State nonresident if you were not a resident of New York State for any part of the year.

**Part-year resident** — You are a New York State part-year resident if you meet the definition of resident or nonresident for only part of the year.

For more information on nonresidents and part-year residents, see the instructions for Form IT-203 and Publication 362, *U.S. Citizens Abroad*.

## Which Form to File

If the federal income tax return you filed was:

**Form 1040EZ**

You should file your New York income tax return on:

**Form IT-100** if you want us to figure your tax.

or

**Form IT-200** if you want to figure your tax yourself or claim the real property tax credit (see *Homeowners and renters* on page 3) or you want to disclaim a spouse's debt (see *Collection of debts from your refund*, page 18).

**Form 1040A**

**Form IT-100** if you want us to figure your tax. (*You must use Form IT-200 if you are married and filing a separate federal return*).

or

**Form IT-200** if you want to figure your tax yourself, or you claim the real property tax credit (see *Homeowners and renters* on page 3) or you want to disclaim a spouse's debt (see *Collection of debts from your refund*, page 18).

**Form 1040**

**Form IT-201**

No matter which federal form you filed, you must use New York Form IT-201 if:

- You have any of the following New York adjustments to income: **subtractions** for taxable refunds of state and local income taxes, taxable social security benefits and the pension and annuity income exclusion; (the subtraction for interest income on U.S. government bonds can be made on **all** New York returns); **additions** to income for interest income from state and local bonds (but not those of New York State or its localities). For information on all New York adjustments to income, see *New York Adjustments*, page 10.
- You can claim any of these New York tax credits:
  - resident credit
  - accumulation distribution credit
  - investment credit
  - special additional mortgage recording tax credit (shareholder of electing New York S corporation only)
  - special additional mortgage recording tax credit carryover
  - solar and wind energy credit carryover
  - economic development zone credits

**The household credit and child and dependent care credit can be claimed on all New York returns. The real property tax credit can be claimed only on Forms IT-200 and IT-201.**

*(continued)*

## Which Form to File (continued)

- You are subject to any of these taxes:
  - minimum income tax
  - separate tax on lump-sum distributions
  - add-back of investment credit on early dispositions
  - part-year New York City resident tax
  - part-year Yonkers resident income tax surcharge
  - add-back of EDZ investment tax credit
- You are claiming a 1988 estimated tax payment or an overpayment credit from your 1987 return.
- You want to apply any part of your 1988 overpayment to your estimated tax for 1989.
- You were a New York State resident for all of 1988, but a New York City or Yonkers resident for only part of the year. For more information on change of city resident status, 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, 1988.
- You need an extension of time to file your return.

If you did not have to file a federal return but you must file a New York return, use your federal instructions to choose the federal form you would have filed if one had been required. Then use these instructions to choose your New York form. You will also need your federal instructions to determine your filing status, your income, adjustments to income, and the number of exemptions you may claim. If you need help, see page 8 of these instructions.

**Separate returns are required for some married taxpayers who file a joint federal return.** If one of you was a New York State resident and the other was a nonresident or part-year resident, you must each file a separate New York return. The New York State resident must use Form IT-200 (if your joint federal return was Form 1040A) or Form IT-201 (if your joint federal return was Form 1040); the nonresident or part-year resident, if required to file a New York return, must use Form IT-203. However, if both of you choose to file as New York residents, you may file a joint New York State return. Use Form IT-200 if your joint federal return was Form 1040A; use Form IT-201 if your joint federal return was Form 1040. For the definition of resident, nonresident and part-year resident, see page 4.

### How to get forms

You can get forms and publications at many banks and public libraries, or by using the *Forms Order Blank* in the tax packet mailed to you. You can also get forms by calling toll free (from New York State only) 1 800 462-8100. From areas outside New York State, call (518) 438-1073. If you want to write instead of calling, address your letter to **NYS Tax Department, Taxpayer Assistance Bureau, W. A. Harriman Campus, Albany, NY 12227.**

## Other Forms You May Have to File

### Form IT-270, Tuition Deduction

You 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 attach it to your return.

### Form IT-2105, Estimated Tax for Individuals

If you expect your 1989 tax withheld to be less than 90% of your 1989 tax and less than 100% of your 1988 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 New York State or New York City or 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 1988, you will automatically receive a 1989 estimated tax packet in the mail. If you did not pay estimated tax for 1988, 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 *How to get forms* on this page.

### Form IT-201-ATT, Summary of Other Credits and Taxes

Complete this form if you are subject to any other New York State or New York City taxes. You can also use this form to claim other New York State credits. The worksheet for figuring the additional tax on unearned income appears on the back of this form. Everyone who has New York adjusted gross income in excess of \$100,000 (\$50,000 for married taxpayers filing separate returns) must complete it. For more information, see *Instructions for Form IT-201-ATT* on page 20.

### Form IT-220, Minimum Income Tax

Complete this form if you have federal tax preference items such as ACRS depreciation, intangible drilling costs, incentive stock options, or charitable contributions of appreciated property 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, *Alternate 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 you must not have reached age 65 when your tax year ended. For more information, see Form IT-221.

### Form IT-230, Separate Tax on Lump-Sum Distributions

Complete Form IT-230 if you used federal Form 4972 to figure your federal tax on a lump-sum distribution from a qualified retirement plan. For more information, see the instructions for Form IT-230.

### Form IT-399, New York State Depreciation

Complete this form if you are an individual, partnership, estate or trust to figure your New York depreciation deduction for property placed in service during taxable years beginning in 1981, 1982, 1983, and 1984, and for property placed in service outside New York State in taxable years beginning after December 31, 1984 (including property on which ACRS depreciation was figured in accordance with the federal Tax Reform Act of 1986). Also use Form IT-399 to figure your adjustment for the federal ACRS deduction and the year of disposition adjustment. For more information, see Form IT-399.

### Form IT-201-X, Amended Resident Income Tax Return

Generally, an amended return claiming credit for, or a refund of, an overpayment must be filed within three years of the date that the original return was filed, or within two years of the date the tax was paid, whichever is later.

However, if you file an amended federal return showing a change in your taxable income, tax preference items, total taxable amount or capital gain 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 from the date you amend your federal return.

You must also file an amended return to correct any error on your original state return and to report changes made by the Internal Revenue Service.

**If the Internal Revenue Service changes the taxable income, tax preference items, total taxable amount or capital gain or ordinary income portion of a lump-sum distribution, or disallows your refund claim or credit for child and dependent care expenses that you reported on your federal return, you must report these changes to the New York State Tax Department within 90 days from the date the Internal Revenue Service makes its final determination.**

To amend your 1988 return, you must use 1988 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 *How to get forms* on this page.

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

## Where to File

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

#### For refund returns —

NYS Income Tax  
W.A. Harriman Campus — Refund '88  
Albany, NY 12227-0125

#### For all other returns —

NYS Income Tax  
W.A. Harriman Campus  
Albany, NY 12227-0125

## When to File

File your return as soon as you can after January 1, 1989, but not later than **April 17, 1989**. If you file late, you may have to pay penalties and interest. See *Penalties and Interest* on page 7.

**Extension of time to file** — If you know that you cannot meet the April 17 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, if required, pay the tax you owe with it. If you do not expect to owe any tax and you are filing federal Form 4868 to extend the time to file your federal return, you can also use a copy of your Form 4868 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: NYS Income Tax, Processing Division 46-C, W.A. Harriman Campus, Albany, NY 12227.

**When you file, you must use Form IT-201; you cannot file Fast Form IT-100 or Form IT-200.**

If you are traveling or living outside the United States on April 17, 1989, you are automatically granted an extension to June 15, 1989, to file your federal and state returns. For more information, see Publication 362, *U.S. Citizens Abroad*.

## Reminders

### 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.

### Name and social security number

You must enter your name and social security number on all forms you send to us. **If you are making a payment, write your social security number and "1988 income tax" on your check or money order.**

### Household Credit

If you are single, with federal adjusted 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, head of household (with qualifying person) or a qualifying widow(er) with dependent child with federal adjusted 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 federal return.

If you are a New York City resident, you may also qualify for a New York City household credit.

For more information on the **New York State** household credit, see page 15 of these instructions. For more information on the **New York City** household credit, see page 16 of these instructions.

### 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 as long as it complies with the guidelines in Publication 75, *Specifications for Reproduction of 1988 New York State Tax Forms*.
- Your software must conform to current federal and state income tax laws.

### Refunds/real property tax credit

Even if you do not have to file a return, you should file to get a refund if New York State, New York City or 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 *Homeowners and renters* on page 3 of these instructions.

### Wage and tax statements

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, New York City and Yonkers taxes withheld from your pay during the year.

If you received periodic annuity, pension, retired pay or IRA payments and 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, New York City and Yonkers tax withheld from your payments during the year.

If you received payments from New York State lottery winnings and you had income tax withheld from those payments, the New York State Division of the Lottery will give you Form IT-2102-L, *Statement for Recipients of New York State Lottery Winnings*. This statement shows your total payments and the amount of New York State, New York City and Yonkers taxes withheld during the year.

You must attach Copy 2 of your wage and tax statement(s) to the area indicated on the front of your return. If you have not received your statement by February 15, 1989, or if it is incorrect or lost, contact your employer.

### 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 get Publication 50, *Information for Paid Preparers of New York Income Tax Returns*, for more details.

#### Don't Delay Your Refund

We want to send your refund to you as soon as possible. You can help us by filing an error-free return. This way, we will not have to send your return back to you for your signature or ask for other information such as your wage and tax statements or your correct filing status. Please check the figures on your return and carefully follow steps 5, 6, 7, 8 and 9 on pages 18 and 19 of these instructions.

## Penalties and Interest

**Interest** — Daily compounded interest will be charged on income tax that is not paid on or before April 17, 1989, even if you received an extension of time to file your return. Interest is a charge for the use of money and may not be waived.

If we have to pay interest to you because we don't issue your refund check by July 17, 1989 (or, if your return is filed after April 17, 1989, within 3 months from the date it is 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 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 the lesser of \$100 or 100% of the amount required to be shown as tax due on the return, reduced by any tax paid and by any credit which may be claimed. For information on getting an extension of time to file your return, see *When to File* on page 6 of these instructions.

**Late payment penalty** — If you do not pay your tax when due, you will be charged a penalty of 1/2 of 1% of the unpaid amount for each month or part of a month it is not paid (maximum 25%). 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.

**If you figure your tax incorrectly** — You may have to pay a penalty if the tax you report on your return is less than your correct tax. If you are off by more than 10% or \$2,000, whichever is more, you may have to pay this penalty. The penalty is 10% of the difference between the tax you reported and the tax you actually owe.

**Underpayment of estimated tax penalty** — If your 1988 withholding and estimated tax payments do not equal at least 90% of your 1988 tax or 100% of your 1987 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 and Fiduciaries*, 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 of the Tax Law or the processing of the return.

## 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, 1306, 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 the return.

Failure to provide the requested information may result in civil penalties under section 685, 1312, 1332 and 1342 of the Tax Law or criminal penalties under Article 37 of the Tax Law, or both.

This information will be maintained by the Director, Data Management Services Bureau, Processing Division, Department of Taxation and Finance, W. A. Harriman Campus, Building 8, Room 905, Albany, New York 12227; telephone (from New York State only) 1 800 CALL TAX (1 800 225-5829); from outside New York State, call (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.

## Need Help?

We will answer your tax questions if you call us (see *Information* below), 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 CALL TAX (1 800 225-5829) for the location of the volunteer assistance site near you.
- Senior citizens centers; contact center for dates and times.
- Social service agencies.

### Information

For **information** or answers to your New York State tax questions, call toll free (from New York State only) **1 800 CALL TAX (1 800 225-5829)**. From areas outside New York State, call (518) 438-6561. 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 Tax Department supervisor 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 **NYS Tax Department, Taxpayer Assistance Bureau, W. A. Harriman Campus, Albany, NY 12227**.

### 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 17; then call toll free (from New York State only) 1 800 443-3200. From areas outside New York State, call (518) 438-6777.

### 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 *Information* 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.

### Step 1

**Get all forms and publications you need.**

If you need any forms or publications, see *How to get forms* on page 5.

### Step 2

**Get your tax records together.**

If you received a salary or wages, get all your 1988 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 15, 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 had tax withheld from your lottery winnings payments, you will need your New York State Form IT-2102-L.

If you paid income taxes to another state, a local government within another state, the District of Columbia or a province of Canada, get a copy of the income tax return you filed with that taxing authority.

If you made payments during the year for your New York State, New York City or Yonkers estimated tax, check your payments or credits that were applied to your 1988 tax year.

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

### Step 3

**Fill in your return.**

Fill in your return using the line-by-line instructions for Form IT-201 that begin on page 9. Then continue with Step 4 on page 18.

## Return a Gift to Wildlife

# Look For This Line

If you want to  
Return a Gift to Wildlife  
enter amount \$5, 10, 20, other  00

On Your NYS Tax Form



Return  
a Gift to  
Wildlife



MARIO M. CUOMO, Governor

THOMAS C. JORLING, Commissioner, Department of Environmental Conservation

Thanks to hundreds of thousands of New Yorkers like yourself, Return a Gift to Wildlife has contributed more than \$10 million to the enhancement of our precious fish and wildlife resources.

Help support the future of our state's fish and wildlife resources...

Return a Gift to Wildlife on your New York State tax form.



# Line-by-Line Instructions for Form IT-201

All information on your return, except for your mailing address, should be for the calendar year January 1 through December 31, 1988, 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 the front page.

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 18 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. In nearly all cases, you must use the same filing status on your state return that you used on your federal return. (If you did not file a federal return, use the same filing status that would have been allowed for federal income tax purposes.)

The only exception to this rule applies to married taxpayers who file a joint federal return where one spouse is a New York State resident, and the other spouse is a nonresident or part-year resident. In this case you must either:

- 1) file separate New York returns using filing status ③; or
- 2) file jointly, as if you both were New York State residents, using filing status ②.

## 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

### 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 1989 return.

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

## Federal Income and Adjustments

**The amounts on lines 1 through 19 must be the same as the income, (losses), total adjustments and adjusted gross income reported on your federal return.**

If you did not have to file a federal return, report the same income you would have reported for federal income tax purposes.

### Line 1

#### Wages, salaries, tips, etc.

Enter the total of all wages, salaries, fees, commissions, bonuses, tips, fringe benefits, etc., reported on your 1988 federal return. Include all of these items even if they were not reported by your employer on a wage and tax statement or other income statement.

### Line 2

#### Taxable interest income

Enter the taxable interest income reported on your federal return.

### Line 3

#### Dividend income

Enter the dividend income reported on your federal return.

### 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 24.

### 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.

If you are self-employed and carry on a trade, business or profession in New York City, you may also be required to file Form NYC-202, *City of New York Unincorporated Business Tax Return*. For more information, see *Instructions for Form NYC-202*. You can get this form and its instructions by calling the NYC Department of Finance, Taxpayer Assistance at 1 (718) 935-6000, or by visiting the **NYC Department of Finance, Forms Distribution Window, 25 Elm Place, 3rd floor, Brooklyn, NY from 9 a.m. to 5 p.m., Monday through Friday**. The NYC Department of Finance also operates an automated New York City tax forms ordering service, 24 hours a day, seven days a week; call 1 (718) 935-6739. Since New York State does not administer the New York City unincorporated business tax, do not file your NYC-202 with your state return.

### Line 7

#### Capital gain or (loss)

Enter your 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.

### Line 8

#### Capital gain distributions not reported on line 7

Enter the amount reported on your federal return.

### Line 9

#### Other gains or (losses)

Enter the other 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.

### Line 10

#### Taxable amount of IRA distributions

Enter the amount reported on your federal return.

### Line 11

#### Taxable amount of pensions and annuities

Enter the amount reported on your federal return.

### Line 12

#### Rents, royalties, partnerships, estates, trusts, etc.

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

### Line 13

#### Farm income or (loss)

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

### Line 14

#### Unemployment compensation (insurance)

Enter the amount reported on your federal return.

### Line 15

#### 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 25.

### Line 16

#### Other income

Enter the total other income reported on your federal return. Write each type of income and its amount in the white area on line 16. If more room is needed, make a list showing each type of income and its amount, and attach the list to your New York return.

**Line 17**

Add lines 1 through 16 and enter the total on line 17.

**Line 18****Total federal adjustments to income**

Enter the total adjustments to income reported on federal Form 1040, line 30. These include reimbursed employee business expenses, IRA deduction and spouse's IRA deduction, as well as other adjustments. Write each adjustment and its amount in the white area on line 18. If more room is needed, make a list showing each adjustment and its amount, and attach the list to your New York return.

If you did not have to file a federal return, claim the same adjustments to income you would have claimed for federal income tax purposes.

**Line 19****Adjusted gross income (federal)**

Subtract line 18 from line 17 and enter the result on line 19. This amount must be the same as the adjusted gross income from your federal return.

## New York Adjustments/ New York Adjusted Gross Income

Enter any of the listed additions to or subtractions from your federal adjusted gross income. For more information on additions and subtractions, see Publication 382, *How to Figure Your New York State Additions and Subtractions*.

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

**Beneficiaries (estates and trusts)** — If you have income from an estate or trust, any New York additions and subtractions that 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 22; if the adjustment is a net subtraction, enter this amount on line 29. Identify this item as a "fiduciary adjustment."

If you filed federal Form 4970, the income you reported there is not included on Form IT-201, line 12. Since the Internal Revenue Code considers the distribution part of federal gross income, you must include it on line 22 and be sure to identify the source of this income as "Form 4970 income."

**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-18 and A-19 and subtraction S-22 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-3-S.

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 additions and subtractions below that apply to your pro rata share of S corporation items of income, loss or deduction. Additions A-17, A-18, A-19 and A-20, and subtractions S-21 and S-22 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-20 or subtraction S-21, 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 20****Interest income on state and local bonds (but not those of New York State or its localities)**

Enter any interest income on state and local bonds (but not those of New York State or its localities) that you received or that was credited to you during 1988 if it was **not** included in your federal adjusted gross income.

**Line 21****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 (including property on which ACRS depreciation was figured in accordance with the Federal Tax Reform Act of 1986), except for property subject to the provisions of section 280F of the Internal Revenue Code (such as luxury automobiles). Also, see the instructions for line 28 on page 11 of these instructions.

**Line 22****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 22. Enter the total amount of these other additions on line 22 in the money column.

**A-1** Interest or dividend income received by you or credited to you during 1988, 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 (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 22.

**Partners** — Include on line 22 your distributive share of income taxes deducted in figuring net income.

**A-3 Professional service corporation shareholders** — If you were a shareholder-employee 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), 6.06 percent of the professional service corporation wages you received (as a shareholder-employee) that are subject to social security taxes (section 612(b)(8) of the Tax Law).

**Professional service corporations are required by law** to furnish each shareholder with Form IT-2102.1-PC, *Professional Service Corporation Information Return*, reporting payment of the above benefit.

**A-4** 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 22 (sections 612(b)(4) and (5) of the Tax Law).

**A-5** The amount of special additional mortgage recording tax that was excluded or deducted in figuring your federal adjusted gross income to the extent the credit was taken (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 4, on page 20 of these instructions.

**A-6** 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).

**A-7** Any amount that has to be added to your federal adjusted gross income if you made an election for tax years beginning before 1987 for special 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 subtraction S-14 on page 12 of these instructions.

**A-8** 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-13 on page 12 of these instructions.

**A-9** 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-15 on page 12 of these instructions.

**A-10** Any gain that 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 Tax 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-11 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).

**A-12 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 (section 612(b)(22) of the Tax Law).

**A-13 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-14 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-15 Accelerated cost recovery property — year of disposition adjustment** — In the year that you dispose of property, the amount by which the total depreciation allowed for New York State purposes is greater than your total federal accelerated cost recovery deductions on that property (including ACRS depreciation figured in accordance with the Federal Tax Reform Act of 1986) (section 612(b)(27) of the Tax Law). Use Form IT-399, *New York State Depreciation*, to figure your adjustment. See subtraction S-20 on page 12 of these instructions.

**A-16 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-17 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 (section 612(b)(18) of the Tax Law).

**A-18 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 (section 612(b)(19) of the Tax Law).

**A-19 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 (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-20 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 (section 612(b)(21) of the Tax Law). The Internal Revenue Code sections mentioned above refer to S corporation undistributed taxable income that was required to be included in the shareholder's federal adjusted gross income.

**Line 23**

Add lines 19 through 22 and enter the total on line 23.

**New York Subtractions**

**Line 24**

**Taxable refunds of state and local income taxes**

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

**Line 25**

**Taxable social security benefits**

Enter the amount of taxable social security and tier 1 railroad retirement benefits from line 15.

**Line 26**

**Interest income on U.S. 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. Include on line 26 qualifying dividends received from regulated investment companies (mutual funds) that invest in obligations of the United States government and meet the 50 percent asset requirement (section 612(c)(1) of the Tax Law).

Do not list the same interest more than once; see the instructions for line 29, subtractions S-2 and S-5, on page 12.

**Line 27**

**Pension and annuity income exclusion**

If you were age 59½ before January 1, 1988, enter the qualifying pension and annuity income included in your 1988 federal adjusted gross income, but not more than \$20,000. If you became 59½ during 1988, 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 29, subtraction S-3.

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 includes:**

- 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 federal Form 4972 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.

For more information, see Publication 59, *New York State's Tax Benefit on Pension and Annuity Income*.

**Line 28**

**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 (including property on which ACRS depreciation was figured in accordance with the Federal Tax Reform Act of 1986), except for property subject to the provisions of section 280F of the Internal Revenue Code (such as luxury automobiles). Also, see the instructions for line 21 on page 10 of these instructions.

**Line 29****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 29. Enter the total amount of your other subtractions on line 29 in the money column.

**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** 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-3** 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-4** 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-5** 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-6** Interest expense on money borrowed to purchase or carry bonds or securities, whose income is subject to New York State income tax but exempt from federal income tax, provided this interest was a 1988 business expense and was not deducted in figuring your federal adjusted gross income (section 612(c)(9) of the Tax Law).

**S-7** Ordinary and necessary business expenses paid or incurred during 1988 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-8** Amortization of bond premium attributable to 1988 on any bond whose interest income is subject to New York income tax but exempt from federal income tax, provided this amortization was a 1988 business expense and was not deducted in figuring your federal adjusted gross income (section 612(c)(10) of the Tax Law).

**S-9** 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-10** 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-11** The part of any gain included in your federal adjusted gross income from 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, 1969 (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. When the gain on the sale or other disposition of jointly owned property is divided between you and your spouse on your separate state returns, 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-12** 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-13** Cost depletion figured according to federal tax law on property where percentage depletion was added on line 22 (section 612(c)(13) of the Tax Law). See addition A-8 on page 10 of these instructions.

**S-14** Special depreciation expenditures or carryover of research and development expenditures incurred in taxable years beginning before 1987 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 Schedule*, and instructions. Also, see addition A-7 on page 10 of these instructions.

**S-15** 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-9 on page 11 of these instructions.

**S-16** 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-17 New business investment exclusion** — The amount of gain to be subtracted from the sale of a New York new business investment that was included in your federal adjusted gross income (section 612(c)(20) of the Tax Law).

**S-18 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-19 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-20 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 (including ACRS depreciation that was figured in accordance with the Federal Tax Reform Act of 1986) (section 612(c)(28) of the Tax Law). Use Form IT-399, *New York State Depreciation*, to figure your adjustment. See addition A-15 on page 11 of these instructions.

**S-21 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 1367(a)(2)(B) and (C) of the Internal Revenue Code for each taxable year that the New York election was not in effect.

Also, the amount of any additions to federal adjusted gross income under section 612(b)(20) of the Tax Law (see addition A-19 on page 11 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 that was required to be taken into account in figuring the shareholder's federal adjusted gross income.

**S-22 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 (section 612(c)(22) of the Tax Law).

**S-23 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.

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

**Line 30**

Add lines 24 through 29 and enter the total on line 30.

**Line 31****New York adjusted gross income**

Subtract line 30 from line 23 and enter the result on line 31.

**Line 32**

Transfer the front page, line 31 amount to the back page, line 32.

**New York Itemized Deduction**

You may pay less tax if you can claim the New York itemized deduction. 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.

If you are married and filing separate returns (filing status ③), you can claim the New York itemized deduction only if both of you itemized deductions on your federal returns and both of you elect to claim the New York itemized deduction. Otherwise, both of you must claim the New York standard deduction. Also, if you checked filing status ③, 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.

For information on the New York standard deduction, see the instructions for line 48 on page 14.

**If you did not itemize deductions on your federal return, or if you did not have to file a federal return, you must claim the New York standard deduction; skip lines 33 through 47 and continue on line 48.**

**Lines 33 through 40**

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

**Line 41**

Enter the total itemized deductions from federal Schedule A, line 26.

**Line 42**

**State, local and foreign income taxes included on line 34**

Enter the amount of any state, local and foreign income taxes included on line 34.

State and local income taxes are reported on your federal Schedule A, line 5. Foreign income taxes are reported on your federal Schedule A, line 7.

**Exception for city of New York nonresident earnings tax** — If you included the New York City nonresident earnings tax on line 34, you do **not** have to include on line 42 the difference between the New York City 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 42, multiply your New York City 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 34.

**Example** — Your line 34 amount includes your New York City 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 42. Then subtract \$32 from \$1,000 to find the difference of \$968, the amount to enter on line 42.

The above also applies to the New York City nonresident earnings tax on net earnings from self-employment. The amount you do not have to include on line 42 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 42, multiply your New York City 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 34.

**Line 43**

Subtract line 42 from line 41 and enter the result.

**Line 44**

**Other adjustments**

On a separate sheet marked "Line 44 — 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 44.

**Partners** — Include on line 44 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 44 additions A through C and subtractions D through G, described below, 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-3-S.

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 the front page of your state return.

**B** Ordinary and necessary expenses paid or incurred during 1988 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 the front page of your state return.

**C** Amortization of bond premium attributable to 1988 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 the front page 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, but only to the extent deducted in figuring your federal taxable income.

**F** Amortization of bond premium attributable to 1988 on any bond whose interest income is exempt from New York income tax, but only to the extent deducted in figuring your federal taxable income.

**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 45**

If line 44 is an addition, add lines 43 and 44 and enter the total on line 45. If line 44 is a subtraction, subtract line 44 from line 43 and enter the result.

If you made no entry on line 44, enter the amount from line 43 on line 45.

**Line 46**

**New York itemized deduction adjustment**

Enter the amount of your New York itemized deduction adjustment. If Form IT-201, line 32 is:

- \$100,000 or less, enter "0" on line 46.
- more than \$100,000 but not more than \$475,000, fill in **Worksheet A** on the next page.
- more than \$475,000 but not more than \$525,000, fill in **Worksheet B** on the next page.
- more than \$525,000, enter 20 percent (.20) of line 45 on line 46.

**Worksheet A**

1. New York adjusted gross income from Form IT-201, line 32.....1. \_\_\_\_\_
  2. Filing status ① or ③ enter \$100,000, or filing status ④ enter \$150,000 or filing status ② or ⑤ enter \$200,000 ..... 2. \_\_\_\_\_
  3. Subtract line 2 from line 1. (If line 2 is more than line 1, enter "0" on Form IT-201, line 46. **Do not continue with this worksheet**) ..... 3. \_\_\_\_\_
  4. Enter the lesser of line 3 or \$50,000..... 4. \_\_\_\_\_
  5. Divide line 4 by \$50,000 and carry the result to four decimal places..... 5. \_\_\_\_\_
  6. Enter 10 percent of Form IT-201, line 45..... 6. \_\_\_\_\_
  7. Multiply line 5 by line 6... 7. \_\_\_\_\_
- Transfer this amount to Form IT-201, line 46.**

**Worksheet B**

1. Enter the excess of New York adjusted gross income over \$475,000 (cannot exceed \$50,000)..... 1. \_\_\_\_\_
  2. Divide line 1 by \$50,000 and carry the result to four decimal places ..... 2. \_\_\_\_\_
  3. Enter 10 percent of the amount on line 45, Form IT-201 ..... 3. \_\_\_\_\_
  4. Multiply line 2 by line 3... 4. \_\_\_\_\_
  5. Add lines 3 and 4..... 5. \_\_\_\_\_
- Transfer this amount to Form IT-201, line 46.**

**Line 47**

**New York itemized deduction**

Subtract line 46 from line 45 and enter the result on line 47.

**Tax Computation**

**Line 48**

**New York 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 48.

- If you itemized deductions on your federal return, you can use either method.
- If you did not itemize on your federal return, or if you did not have to file a federal return, you must claim the New York standard deduction.
- If you are married and filing separate returns (filing status ③) 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, find your standard deduction in the **Standard Deduction Table** below and enter it on line 48 in the money column.

Standard Deduction Table	
Filing Status	Standard Deduction — enter on Form IT-201, line 48
① Single and you checked item B "Yes" .....	\$2,800
① Single and you checked item B "No" .....	5,000
② Married filing joint return .....	8,500
③ Married filing separate return ..	4,250
④ Head of household (with qualifying person) .....	6,000
⑤ Qualifying widow(er) with dependent child .....	8,500

**New York itemized deduction**

If you are claiming the New York itemized deduction, transfer the amount on line 47 to line 48 in the money column.

**Line 49**

Subtract the amount on line 48 from the amount on line 32 and enter the result on line 49.

**Line 50**

**New York dependent exemptions**

Enter on line 50 the number of your New York dependent exemptions from the **Dependent Exemption Worksheet** below.

If you did not have to file a federal return, enter on lines a and b of the worksheet the number of exemptions that would be allowed for federal income tax purposes.

**Dependent Exemption Worksheet**

New York exemptions are allowed only for your dependents. Personal exemptions for you and for your spouse, if you are married, are no longer allowed.

- a. Enter the total number of exemptions claimed on federal Form 1040, line 6e..... a. \_\_\_\_\_
- b. Enter the total number of exemptions claimed on federal Form 1040, line 6a and line 6b..... b. \_\_\_\_\_
- c. Subtract line b from line a. This is the number of your New York dependent exemptions to enter in the white space on Form IT-201, line 50..... c. \_\_\_\_\_

*Example - If the result on line c above was "2," the entry on Form IT-201, line 50 would be:*

50 | 2,000.00

*Since the value of each New York dependent exemption is \$1,000, the total value of dependent exemptions in this example is \$2,000.*

**Line 51**

**New York taxable income**

Subtract the amount on line 50 from the amount on line 49 and enter the result on line 51.

**Line 52**

**New York State tax**

Find your New York State tax on the amount on line 51 by using the **New York State Tax Table** on yellow pages 27 through 32 of these instructions. Be sure you use the correct column. After you have found the correct tax, enter that amount on line 52.

There is an example at the beginning of the table to help you find the correct tax.

**Line 53**

**Additional tax on unearned income**

If line 32 is **more than \$100,000** (or more than \$50,000 if you are married filing a separate return), enter the additional tax on unearned income from Form IT-201-ATT, worksheet line 39. (See instructions, page 21.)

If your line 32 amount is **\$100,000 or less** (\$50,000 or less if you are married filing a separate return), enter "0" on line 53.

You may be subject to the additional tax on unearned income even if you have no New York taxable income on line 51.

**Line 54**

**Unearned income, if any  
(For additional tax on unearned income filers only)**

If you entered an amount of additional tax on unearned income on line 53, transfer the amount from Form IT-201-ATT, worksheet line 33, to Form IT-201, line 54.

**Line 55**

Add lines 52 and 53 and enter the total on line 55.

## Credits/Other Taxes

### Line 56

#### New York State child and dependent care credit

Enter the amount of New York State child and dependent care credit. You can claim this credit if you were allowed a credit for child and dependent care on your federal income tax return.

Enter in the boxes on line 56 the number of qualifying persons cared for in 1988 and the amount of **federal credit** for child and dependent care (from federal Form 2441). You can claim 20 percent of your federal credit, but not more than the tax on line 55, less any resident credit and accumulation distribution credit claimed on Form IT-201-ATT, lines 1 and 2. Use the **Child and Dependent Care Credit Worksheet** below to figure your credit.

#### Child and Dependent Care Credit Worksheet

- Enter your federal credit for child and dependent care from federal Form 2441 . . . a. \_\_\_\_\_
- Tentative credit. Enter 20 percent of line a . . . . . b. \_\_\_\_\_
- Enter your tax from Form IT-201, line 55 . . . . . c. \_\_\_\_\_
- Enter the total of the credits claimed from Form IT-201-ATT, lines 1 and 2 . . . . . d. \_\_\_\_\_
- Subtract line d from line c . . . . . e. \_\_\_\_\_
- Enter the amount from 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 line 56 in the money column.

#### Don't Delay Your Refund

We want to send your refund to you as soon as possible. You can help us by filing an error-free return. This way, we will not have to send your return back to you for your signature or ask for other information such as your wage and tax statements or your correct filing status. Please check the figures on your return and carefully follow steps 5, 6, 7, 8 and 9 on pages 18 and 19 of these instructions.

### Line 57

#### New York State household credit

Enter your New York State 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 and if you checked:

- filing status ① **only (Single)** and the amount on Form IT-201, line 19, is **not** over \$28,000; or
- filing status ②, ③, ④, or ⑤ and the amount on Form IT-201, line 19, is **not** over \$32,000.

Filing status ① — Complete **Household Credit Worksheet I** below to figure your New York State household credit.

Filing status ②, ③, ④, or ⑤ — Complete **Household Credit Worksheet II** at the right to figure your New York State household credit.

#### New York State Household Credit Worksheet I Filing status ① only (Single)

- Enter the amount from Form IT-201, line 19 . . . . . a. \_\_\_\_\_

If the amount on line a above is:

over	but not over	enter on line b:
\$ 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 57.

- Enter amount from table above . . . . . b. \_\_\_\_\_
- Enter amount from Form IT-201, line 55 . . . . . c. \_\_\_\_\_
- Enter the total of any credits claimed on Form IT-201, line 56, and Form IT-201-ATT, lines 1 and 2 . . . . . d. \_\_\_\_\_
- Subtract line d from line c . . . . . e. \_\_\_\_\_
- Enter the amount from line b or line e, whichever is smaller . . . . . f. \_\_\_\_\_

This is your **New York State household credit**. Transfer this amount to Form IT-201, line 57.

#### New York State Household Credit Worksheet II

#### Filing status ②, ③, ④ and ⑤

- Enter the amount from Form IT-201, line 19 (for filing status ③, use the total from **both** returns) . . . . . a. \_\_\_\_\_

If the amount on line a above is:

over	but not over	enter on: line b	line c
\$ 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 57.	

- Enter amount from table above . . . . . b. \_\_\_\_\_
  - Enter amount from table above . . . . . c. \_\_\_\_\_
  - Enter the number of exemptions from federal Form 1040, line 6e (for filing status ③, use the total from **both** returns) . . . . . d. \_\_\_\_\_
  - Multiply line c by line d . . . . . e. \_\_\_\_\_
  - Add lines b and e . . . . . f. \_\_\_\_\_
  - Enter amount from Form IT-201, line 55 . . . . . g. \_\_\_\_\_
  - Enter the total of any credits claimed on Form IT-201, line 56, and Form IT-201-ATT, lines 1 and 2 . . . . . h. \_\_\_\_\_
  - Subtract line h from line g . . . . . i. \_\_\_\_\_
  - Filing status ②, ④ or ⑤ — enter amount on line f or i, whichever is smaller . . . . . j. \_\_\_\_\_
- Filing status ③ — enter 50% of line f or 100% of line i, whichever is smaller . j. \_\_\_\_\_

This is your **New York State household credit**. Transfer this amount to Form IT-201, line 57.

### Line 58

#### Other New York State credits

Enter the total amount of other New York State credits from Form IT-201-ATT, line 7. These are: resident credit, accumulation distribution credit, investment credit, special additional mortgage recording tax credit, solar and wind energy credit carryover and economic development zone (EDZ) credit. For more information, see *Instructions for Form IT-201-ATT*, on page 20.



**Line 59**

Add lines 56 through 58 and enter the result on line 59.

**Line 60**

Subtract the amount on line 59 from the amount on line 55 and enter the result. If line 59 is more than line 55, enter "0."

**Line 61**

**Other New York State taxes**

Enter the total amount of other New York State taxes from Form IT-201-ATT, line 14. These are: separate tax on lump-sum distributions, minimum income tax, add-back of investment credit on early dispositions and add-back of EDZ investment tax credit on early dispositions. For more information, see *Other New York State Taxes* on page 20.

**Line 62**

**Total New York State taxes**

Add lines 60 and 61 and enter the total on line 62.

Lines 63 through 67 apply only to New York City taxes. If you are not subject to New York City taxes, do not fill in these lines.

**Line 63**

**City of New York resident tax**

Find your New York City resident tax on the amount on line 51 by using the *City of New York Tax Table* on white pages 33 through 38 of these instructions. Be sure you use the correct column. After you have found the correct tax, enter that amount on line 63.

There is an example at the beginning of the table to help you find the correct tax.

**Do not complete line 63 if you were a New York City resident for only part of 1980.** Use Form IT-360.1, *Change of City Resident Status*, to figure your part-year New York City 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*.

If you are married and filing a joint New York State return and only one of you was a resident of New York City for all of 1980, figure the New York City resident tax on the New York State taxable income of the city resident as would be required if separate federal returns were filed. Attach a separate schedule showing your computations. Be sure to identify the schedule with: the name and social security number of the New York City resident, and "Taxable Income of New York City Resident."

**Line 64**

**City of New York household credit**

Enter your New York City 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 and if you checked:

- filing status ① only (Single) and the amount on Form IT-201, line 19 is not over \$10,000; or
- filing status ②, ③, ④ or ⑤ and the amount on Form IT-201, line 19 is not over \$20,000.

Filing status ① - Complete **Household Credit Worksheet III** below to figure your New York City household credit.  
Filing status ②, ③, ④, or ⑤ Complete **Household Credit Worksheet IV** below to figure your New York City household credit.

**City of New York  
Household Credit Worksheet III  
Filing status ① only (Single)**

a. Enter the amount from Form IT-201, line 19 ..... a. \_\_\_\_\_  
**If the amount on line a above is:**

over	but not over	enter on line b:
\$ 0	\$ 7,500	\$15
7,500	10,000	10
10,000		No credit is allowed; enter "0" on Form IT-201, line 64.

b. Enter amount from table above ..... b. \_\_\_\_\_

c. Enter your city tax from Form IT-201, line 63 ..... c. \_\_\_\_\_

d. Enter any city of New York accumulation distribution credit claimed ..... d. \_\_\_\_\_

e. Subtract line d from line c ..... e. \_\_\_\_\_

f. Enter the amount from line b or line e, whichever is smaller ..... f. \_\_\_\_\_  
This is your **city of New York household credit**.  
Transfer this amount to Form IT-201, line 64.

**City of New York  
Household Credit Worksheet IV  
Filing Status ②, ③, ④, and ⑤**

a. Enter the amount from Form IT-201, line 19 (for filing status ③, use the total from both returns) ..... a. \_\_\_\_\_  
**If the amount on line a above is:**

over	but not over	enter on line b:
\$ 0	\$12,500	\$50
12,500	15,000	40
15,000	17,500	20
17,500	20,000	15
20,000		No credit is allowed; enter "0" on Form IT-201, line 64.

b. Enter amount from table above ..... b. \_\_\_\_\_

c. Enter the number of exemptions from federal Form 1040, line 6e (for filing status ③, use the total from both returns) ..... c. \_\_\_\_\_

d. Multiply line b by line c ..... d. \_\_\_\_\_

e. Enter your city tax from Form IT-201, line 63 ..... e. \_\_\_\_\_

f. Enter any city of New York accumulation distribution credit ..... f. \_\_\_\_\_

g. Subtract line f from line e ..... g. \_\_\_\_\_

h. Filing status ②, ④ or ⑤ - enter amount from line d or line g, whichever is smaller  
Filing status ③ - enter 50% of line d or 100% of line g, whichever is smaller ..... h. \_\_\_\_\_

This is your **city of New York household credit**. Transfer this amount to Form IT-201, line 64.

**City of New York 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 **New York City** income taxes paid by the trust (section 1310 of the Tax Law). Attach a schedule showing how you figured your New York City accumulation distribution credit. Include the amount of the credit in your total for line 64. On the dotted line to the left of this total, write "CNYADC" (city of New York accumulation distribution credit) and show the amount.

**Line 65**

Subtract the amount on line 64 from the amount on line 63 and enter the result. If line 64 is more than line 63, enter "0."

**Line 66**

**City of New York nonresident earnings tax**

Enter your New York City nonresident earnings tax.

If you were not a New York City 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 New York City 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 the instructions for Form NYC-203.

**Line 67**

**Other city of New York taxes**

Enter on this line the total amount of other New York City taxes from Form IT-201-ATT, line 18. These are: part-year New York City resident tax, New York City minimum income tax and New York City separate tax on lump-sum distributions. For more information, see *Other City of New York Taxes* on page 21.

If you are self-employed and carry on a trade, business or profession in New York City, you may also be required to file Form NYC-202, *City of New York Unincorporated Business Tax Return*. For more information, see the *Instructions for Form NYC-202*. You can get this form and its instructions by calling the NYC Department of Finance, Taxpayer Assistance at 1 (718) 935-6000, or by visiting the **NYC Department of Finance, Forms Distribution Window, 25 Elm Place, 3rd floor, Brooklyn, NY, from 9 a.m. to 5 p.m., Monday through Friday**. The NYC Department of Finance also operates an automated New York City tax forms ordering service, 24 hours a day, seven days a week; call 1 (718) 935-0739. Since New York State does not administer the New York City unincorporated business tax, **do not file your NYC-202 with your state return.**

Lines 68 through 70 apply only to Yonkers taxes. If you are not subject to Yonkers taxes, do not fill in these lines.

**Line 68**

**City of Yonkers resident income tax surcharge**

Enter on this line your Yonkers resident income tax surcharge from the **Yonkers Worksheet** on page 17. However, if you entered "0" on line 62, also enter "0" on line 68.



**Yonkers Worksheet**

a. Amount from line 62	a.	_____
b. Amount from Form IT-214, line 16 (real property tax credit)	b.	_____
c. Subtract line b from line a (if line b is larger than line a, enter "0" on line 68)	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 68	e.	_____

**Do not complete line 68 if you were a Yonkers resident for only part of 1988.** Use Form IT-360.1, *Change of City Resident Status*, to figure your part-year Yonkers resident income tax surcharge, and transfer it to Form IT-201, line 70. For more information, see IT-360.1-I, *Instructions for Form IT-360.1*.

If you are married and filing a joint New York State return and only one of you was a resident of Yonkers for all of 1988, figure the Yonkers resident income tax surcharge on the New York State tax of the city resident as would be required if separate federal returns were filed. Attach a separate schedule showing your computations. Be sure to identify the schedule with: the name and social security number of the Yonkers resident, and "Yonkers Resident Income Tax Surcharge."

**Line 69**

**City of Yonkers nonresident earnings tax**

Enter your Yonkers nonresident earnings tax. If you were not a 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 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 the instructions for Form Y-203.

**Line 70**

**Part-year city of Yonkers resident income tax surcharge**

Enter your part-year Yonkers resident income tax surcharge. If you were a Yonkers resident for only part of 1988, fill in Form IT-360.1 and attach it to your return. If you were subject to the Yonkers nonresident earnings tax for the remainder of the year, see the instructions for Form Y-203. For more information, see IT-360.1-I, *Instructions for Form IT-360.1*.

**Line 71**

**Total city of New York and city of Yonkers taxes**

Add lines 65 through 70 and enter the total on line 71.

**Line 72**

**Return a gift to wildlife**

If you want to return a gift to wildlife, enter the amount of your gift on line 72.

The amount you give must be in whole dollars: \$5, \$10, \$20, or any other dollar amount. Your gift will reduce your refund or increase your tax payment. Also, you cannot change the amount you give after you file your return.

For more information about returning a gift to wildlife, see page 8 of these instructions.

**Line 73**

**Total New York State, city of New York and city of Yonkers taxes, and gift to wildlife**

Add lines 62, 71 and 72 and enter the total on line 73.

**Payments**

**Line 74**

**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 16, to Form IT-201, line 74. Attach Form IT-214 to your return. For more information, see *Instructions for Form IT-214* on page 23 of these instructions.

**Line 75**

**Total New York State tax withheld**

Enter 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 the total New York State tax withheld for you and your spouse.

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

If New York State tax was withheld from New York State lottery winnings payments, attach Copy 2 of Form IT-2102-L to your return.

If you did not have New York City tax withheld, skip line 76.

**Line 76**

**Total City of New York tax withheld**

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

If you checked filing status ②, enter the total New York City tax withheld for you and your spouse.

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

If New York City tax was withheld from New York State lottery winnings payments, attach Copy 2 of Form IT-2102-L to your return.

If you did not have Yonkers tax withheld, skip line 77.

**Line 77**

**Total city of Yonkers tax withheld**

Enter your total **Yonkers** tax withheld as shown on your wage and tax statement(s).

If you checked filing status ②, enter the total Yonkers tax withheld for you and your spouse.

Attach Copy 2 of your wage and tax statement(s) to the area indicated on the front of your return. If Yonkers tax was withheld from annuities, pensions, retirement pay or IRA payments, attach Copy 2 of Form IT-2102P or federal Form W-2P to your return.

If Yonkers tax was withheld from New York State lottery winnings payments, attach Copy 2 of Form IT-2102-L to your return.

**Line 78**

**Estimated tax paid / Amount paid with Form IT-370**

Enter on this line the total of your estimated tax payments for New York State, New York City and 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 78 the total of your 1988 estimated tax payments (include your last installment, even if paid in 1989) and any overpayment from your 1987 return that was applied to your 1988 estimated tax.

If you checked filing status ② but made **separate** 1988 estimated tax payments (Form IT-2105), enter your combined total estimated tax paid.

If you are a beneficiary of a trust and are claiming your share of any overpayment of estimated taxes allocated to you by the trust, include your amount on line 78 and attach a copy of the notification issued by the trust to the front of your return. This notification must include the name and identifying number of the trust and the amount allocated to you.

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

**Amount 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 78 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 the total amount paid by you and your spouse with your separate Forms IT-370.

**Line 79**

**Total payments**

Add lines 74 through 78 and enter the result on line 79.

**Refund/Amount You Owe**

**Line 80**

**Overpayment**

If line 79 is more than line 73, subtract line 73 from line 79 and enter the result on line 80. This is your overpayment.

You can have all or part of this amount refunded to you. Any remainder can be applied to your 1989 estimated tax. Any overpayment credited toward your estimated tax cannot be refunded after April 17, 1989.

**Line 81****Refund**

Enter the amount of overpayment from line 80 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.

**Collection of debts from your refund** — We will keep all or part of your refund if you owe a federal, New York State, New York City or 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 Carl D. Perkins 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 and you do not want to apply your part of the refund to your spouse's debt and you are not liable for it, fill in Form IT-280, *Nonobligated Spouse Allocation*, and attach it to your return. 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, New York City or 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 appropriate agency shown below:

 **For a federal tax liability** —

(618) 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, New York City or Yonkers tax liability** —

1 800 835-3554  
outside NYS (518) 482-0683

NYS Tax Department  
Tax Compliance Division  
A. Harriman Campus  
Albany, NY 12227

102

 **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) 443-5626

Student Loan Service Center  
State University of New York  
SUNY Plaza  
Albany, NY 12246

 **For City University student loans** —

(212) 397-5620

NDSL/NSL Department  
Room 1696  
City University of New York  
University Accounting Office  
555 West 57th Street  
New York, NY 10019

**Line 82**
**New York State, city of New York and city of Yonkers estimated tax for 1989**

Enter the amount of overpayment from line 80 that you want credited to your New York State, New York City and Yonkers estimated tax for 1989. Do not include any amount that you claimed as a refund on line 81.

**Line 83****Amount you owe**

If line 79 is less than line 73, subtract line 79 from line 73 and enter the result on line 83. This is the amount you owe.

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 "New York State Income Tax" and write your social security number and "1988 income tax" on it. **Do not send cash.** If you also have to pay an underpayment of estimated tax penalty (line 84), send one check or money order for the total amount (penalty plus tax due).

Attach your payment to the area indicated on the front of your return.

Do not include any penalty or interest amounts on line 83. If you include penalties or interest with your payment, identify and enter these amounts in the right margin of the back page of Form IT-201 (but not underpayment of estimated tax penalty; see line 84).

**Line 84****Underpayment of estimated tax**

If line 83 is at least \$100 and, in addition, represents more than 10% of the tax shown on your return, or you underpaid your estimated tax liability for any payment period, you may owe a penalty. However, you are not subject to a penalty if your 1988 prepayments equal at least 100% of your 1987 tax (based upon a return covering 12 months). Attach Form IT-2105.9, *Underpayment of Estimated*

*Tax by Individuals and Fiduciaries*, 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 84 and enter the amount of the penalty. For more information, see the instructions for Form IT-2105.9.

Do not include any other penalty or interest amounts on line 84. If you include penalties or interest with your payment, identify and enter these amounts in the right margin of the back page of Form IT-201.

---

Now continue with *Step 4* below

---

**Step 4**

**Check the figures on your return and attachments.**

**Step 5**

**Complete the top of the front page 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	Carrier route designation
Name	Number and street	School district code
City	State	ZIP code
		County

At the top of the label there is a series of numbers which shows your social security information, a single letter that indicates the form you filed last year, and the carrier route (CR) designation for the post office. The number sign (#) that appears on some labels at the right of the school district code is for mail-sorting purposes only.

- 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 corner of the label; your county of residence is in the lower right 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, 1988. School districts and code numbers are on pages 39 through 42 of these instructions. If you do not know the name of your school district, contact your nearest public school.

**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. **School aid may be affected if the school district or code number is not correct.**

**Permanent home address**

Enter your permanent home address within New York State on December 31, 1988, 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, enter as your permanent home address the address of your own residence.
- If you moved after December 31, 1988, enter the address of your permanent home on December 31, 1988, 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 the decedent's 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 the front page of your return:

- Name and address** (both names if filing a joint return);
- Permanent home address** (if different from mailing address);
- If taxpayer is deceased** (enter the decedent's first name and date of death);
- Social security number(s)**;
- New York State county of residence** (on December 31, 1988);
- School district name and code number**.

**Step 6**

**Sign and date your return at the bottom right of the back page.**

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

Keep a copy of your return and any attachments for future reference. 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.

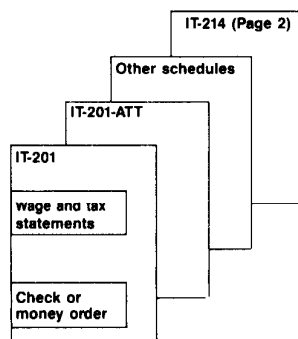
**Paid preparer must also sign your return**

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 area.

**Step 7**

**Attachments**

- Attach Copy 2 of your wage and tax statement(s) to the area indicated on the front of your return as illustrated below. (Please staple once only.)
- Attach any other forms and schedules you used to the **back** of your return. Staple once only in the upper left corner in the following order:
  - 1 Form IT-201-ATT;
  - 2 Other New York State forms in form number order (but not Form IT-214 — see 4 below);
  - 3 Any other schedules you used or prepared yourself, including copies of federal schedules;
  - 4 Form IT-214, back page facing forward (front page facing out on back).
- If you owe any tax, staple your check or money order to the area indicated on the **bottom front** of Form IT-201 as illustrated below.
- 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 school district code number 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 48 of Form IT-201?**
- Enter your New York dependent exemption amount on line 50 of Form IT-201?**
- Use the correct tax table(s) and column(s)?**
- Figure your NY State child and dependent care credit by entering the number of qualifying persons cared for in 1988 and the amount of federal credit for child and dependent care in the boxes on line 56 of Form IT-201?**
- Claim any adjustments or credits that you may qualify for?**
- Sign your return?** (Both husband and wife must sign a joint return.)
- Attach Copy 2 of your wage and tax statement(s) to the area indicated on the front of your return?**
- Attach Form IT-201-ATT if you are claiming other New York State credits, or if you are subject to other New York State or New York City taxes (including the additional tax on unearned income)?**
- Make your check or money order payable to "New York State income tax" for the full amount you owe?**
- Write your social security number and "1988 income tax" on your check or money order?**

**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:**  
 NYS Income Tax  
 W. A. Harriman Campus —  
 Refund '88  
 Albany, NY 12227-0125

**For all other returns:**  
 NYS Income Tax  
 W. A. Harriman Campus  
 Albany, NY 12227-0125

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

**Purpose of Form IT-201-ATT** — If you are claiming other New York State credits or if you are subject to other New York State or New York City taxes (including the additional tax on unearned income), fill in Form IT-201-ATT and attach it to your return. If you need more forms or schedules, see *How to get forms* on page 5 of these instructions.

## Part I — Other New York State Credits

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

### Line 1

#### Resident credit

Enter the amount of resident credit. If your income was from sources outside New York State and if you paid income taxes to another state, to a political subdivision of another state, to the District of Columbia or to a province of Canada, 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-112-R, *Resident Tax Credit*, and transfer the amount to Form IT-201-ATT, line 1. Attach Form IT-112-R and a copy of the tax return filed with the other state, or province of Canada, to your New York State return. For more information, see Form IT-112-R. For information on the resident credit against the separate tax on lump-sum distributions see line 9 instructions on this page.

### Line 2

#### Accumulation distribution credit

Enter the amount of New York State 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

#### Investment credit

Enter the amount of investment credit. You can claim an investment credit if 1) you produce goods by manufacturing, processing, mining, agriculture or similar activities, 2) you use certain property for research and development purposes, pollution control purposes, waste treatment purposes; or 3) if your business is a retail enterprise and you have 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 attach it to your return. For more information, see IT-212-I, *Instructions for Form IT-212*.

### Line 4

#### Special additional mortgage recording tax credit

Tax reform has preserved this credit for shareholders of electing New York S corporations.

Include on line 4 your prorated share of the S corporation's special additional mortgage recording tax credit from Form CT-3-S.

For all others, 1987 was the last year that this credit could be claimed. However, any unused credit from a prior year can be carried over. Include on line 4 your special additional mortgage recording tax credit carryover for 1988. Attach a schedule showing how you figured your credit carryover.

See additions A-5 and A-6 on page 10 of these instructions.

### Line 5

#### Solar and wind energy credit carryover from 1987

Enter the amount of solar and wind energy credit carryover. 1985 was the last year that this credit could be claimed. Section 606(g)(6) provides that any unused credit can be carried over to the following year or years. Taxpayers carrying over any unused credit from 1987 to 1988 must attach Form IT-218.1, *Solar and Wind Energy Credit Carryover*, to their 1988 return.

### Line 6

#### Economic development zone (EDZ) credit

**EDZ Wage Tax Credit** — Enter the amount of wage tax credit. In order to claim the wage tax credit, a taxpayer must be certified under Article 18-B of the General Municipal Law as eligible to receive the wage tax credit. The computation of the wage tax credit is limited to five taxable years. The wage tax credit must be computed in the first taxable year during which payments of EDZ wages are made and in each of the four following taxable years (section 606(k) of the Tax Law).

If you qualify, figure this credit on Form DTF-601, *Claim for Economic Development Zone Wage Tax Credit*, and include the amount on Form IT-201-ATT, line 6. Attach Form DTF-601 to your return. For more information, see Form DTF-601.

**EDZ capital corporation tax credit** — Enter the amount of capital corporation tax credit. The EDZ capital corporation tax credit is 25 percent of the consideration paid for original issue stock purchased during the taxable year from one or more economic development zone capital corporations established pursuant to section 964 of the General Municipal Law (section 606(l) of the Tax Law).

If you qualify, figure this credit on Form DTF-602, *Claim for EDZ Capital Tax Corporation Credit*, and include the amount on Form IT-201-ATT, line 6. Attach Form DTF-602 to your return. For more information, see Form DTF-602.

**EDZ investment tax credit** — Enter the amount of investment tax credit. The EDZ investment tax credit is 8 percent of the cost (or other federal basis) of qualified property which was acquired, constructed, reconstructed or erected in an economic development zone after its date of designation and prior to its date of expiration as an economic development zone. To claim this credit, you must also be certified pursuant to Article 18-B of the General Municipal Law (section 606(j) of the Tax Law).

If you qualify, figure this credit on Form DTF-603, *Claim for Economic Development Zone Investment Tax Credit*, and include the amount on Form IT-201-ATT, line 6. Attach Form DTF-603 to your return. For more information, see Form DTF-603.

### Line 7

#### Total

Add lines 1 through 6; enter the total on line 7 and transfer it to Form IT-201, line 58.

## Part II — Other New York State Taxes

If you are subject to other New York State taxes as listed below, complete Part II.

### Line 8

#### New York State separate tax on lump-sum distributions.

Enter your New York State separate tax on lump-sum distributions. If you used federal Form 4972 to figure your federal tax on lump-sum distributions, figure your state separate tax on Form IT-230 and attach it to your return. For more information, see IT-230-I, *Instructions for Form IT-230*.

### Line 9

#### 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 that 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 8. 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, by the District of Columbia, or by a province of Canada.

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 or province of Canada to your New York State return.

### Line 10

Subtract line 9 from line 8 and enter the result.

**Line 11****New York State minimum income tax**

Enter your New York State minimum income tax. If you had New York State tax preference items 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 12****Add-back of investment credit on early dispositions**

Enter the amount of add-back of investment credit on early dispositions of investment credit property. If you dispose of property on which an investment credit has been taken, or prior to January 1, 1987, a research and development credit was 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 or research and development credit taken and the investment credit or research and development credit allowed. Fill in Form IT-212 and attach it to your return.

**Line 13****Add-back of economic development zone investment tax credit on early dispositions**

Enter the amount of add-back of economic development zone investment tax credit on early dispositions of qualified property located within the economic development zone. If you dispose of property on which an EDZ investment tax 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 EDZ investment tax credit taken and the EDZ investment tax credit allowed. Fill in Form DTF-603 and attach it to your return.

**Line 14****Total**

Add lines 10 through 13, enter the total on line 14, and transfer this amount to Form IT-201, line 61.

## Part III — Other City of New York Taxes

If you are subject to other New York City taxes as listed below, complete Part III.

**Line 15****Part-year city of New York resident tax**

Enter your part-year New York City resident tax. If you were a New York City resident for only part of 1988, fill in Form IT-360.1 and

attach it to your return. If you were subject to the New York City nonresident earnings tax for the remainder of the year, see the instructions for Form NYC-203. For more information, see IT-360.1-1, *Instructions for Form IT-360.1*.

**Line 16****City of New York minimum income tax**

Enter your New York City minimum income tax. If you are a New York City resident and you are subject to the New York State minimum income tax, you must also figure your **New York City** minimum income 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 New York separate tax on lump-sum distributions**

Enter your New York City separate tax on lump-sum distributions. If you are a New York City resident and if you used federal Form 4972 to figure your federal tax on lump-sum distributions, figure your New York City separate tax on Form IT-230 and attach it to your return. For more information, see IT-230-1, *Instructions for Form IT-230*.

**Line 18****Total**

Add lines 15 through 17; enter the total on line 18 and transfer this amount to Form IT-201, line 67.

**Line 19****Investment credit refund for new businesses**

Enter the amount of investment 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, instead of carrying it over to next year. For more information see IT-212-1, *Instructions for Form IT-212*.

**Also include the amount of your investment credit refund for new businesses on Form IT-201 in the total for line 75. On the dotted line next to line 75, write "ICR" and show the amount.**

**Line 20****Net investment credit available for carryover to 1989.**

Enter the amount of net credit available for carryover to 1989 from Form IT-212, line 28.

**Line 21****Net economic development zone credit available for carryover to 1989**

Enter the amount of net credit available for carryover to 1989 from Form(s) DTF-601 or DTF-603.

## Part IV — Additional Tax on Unearned Income Worksheet (lines 22-39)

(Back page of Form IT-201-ATT)

The additional tax on unearned income is imposed on every resident who has unearned income and whose New York adjusted gross income (Form IT-201, line 32) is more than \$100,000 (more than \$50,000 if married filing separately).

If you are subject to the additional tax on unearned income, complete the worksheet (lines 22 through 39) on the back page of Form IT-201-ATT using the following instructions, and attach it to your Form IT-201.

**Line 24****Federal adjustments and deductions**

Enter any adjustments and deductions allowable for federal tax purposes that are properly allocable to or chargeable against your earned income, line 27 of this worksheet. Examples of items that must be included on line 24 are:

- Expenses of a trade or business from which you received earned income (however, do not include any deductions that will be used in computing earned income on line 27).
- Expenses of performing services as an employee.
- Payments to a Keogh Plan or an IRA.
- Net operating loss deduction to the extent that the net operating losses carried to the taxable year are properly allowable to or chargeable against earned income.

If the income from a business is derived entirely from personal services and the expenses of that business exceed its income, include the excess on line 24. However, if personal services and capital are both material income-producing factors, include only part of the excess on line 24. To figure the amount to include on line 24, multiply the total expenses of the business by the ratio of a reasonable amount of pay for your services over the gross receipts of that business. If you have more than one business with a loss, you must make a separate computation for each and include the combined amount on line 24.

**Line 25****New York subtractions**

Enter any New York State subtractions to the extent that they are related to earned income included on line 27. Examples are the subtraction for pension and annuity income and New York depreciation.

**Line 27****Earned income**

Enter your earned income. **Earned income includes:** wages, salaries, tips, other compensation for personal services actually rendered, and:

- Bonuses and professional fees.
- Commissions on sales or insurance premiums.
- Prizes and awards received in recognition of personal services.
- Pensions and annuities arising from an employer/employee relationship.
- Taxable group term life insurance.
- Property received as payment for services even if you later transferred the property to someone else.
- Gains (except capital gains) and net earnings from the sale or transfer of an interest in or license for the use of property (other than goodwill) that you created by your personal efforts.
- The portion of income you received from a corporation (including an electing S corporation) that represents a reasonable allowance as compensation for the services you performed for the corporation.
- The entire amount you receive for professional services if you are a doctor, dentist, lawyer, architect, accountant, etc., and you are personally responsible for the services performed (even if your assistants perform all or part of the services).
- Income you receive from a noncorporate trade or business where both personal services and capital are material income producing factors. In this case, your personal income is a reasonable allowance as compensation for the personal services actually rendered, but not more than the net profits of the business.
- An item of gross income in respect of a decedent if the gross income would have been earned income for the decedent had he or she lived and received the amount.
- Amounts paid or distributed out of an individual retirement plan (IRA).
- Amounts received as deferred compensation.

**Earned income does not include:**

- Interest and dividends.
- Other distributions of corporate earnings and profits.
- Gambling gains.
- Capital gains.
- Premature or excess distributions from a qualified employee pension plan.
- Certain distributions from individual retirement accounts or annuities described in Internal Revenue Code sections 408(e)(2), (3), (4), and (5).
- Unemployment compensation (insurance).

**Line 30****New York additions**

Enter any New York State additions to the extent that they are related to earned income included on line 27. Examples are the addition for accelerated cost recovery system deduction and the New York City unincorporated business tax.

**Line 31****Allowable deductions**

Enter the following deductions if 1) you paid or incurred them during 1988; 2) they were not deducted when figuring New York adjusted gross income; and 3) they are directly related to unearned income that is included in New York adjusted gross income:

- Interest or indebtedness incurred or continued to purchase or carry obligations or securities.
- Ordinary and necessary expenses for the production or collection of income, or the management, conservation or maintenance of property held for the production of income.
- Amortization of bond premiums.

**Line 33****Unearned Income**

Subtract line 32 from line 26 and enter the result on line 33 and on Form IT-201, line 54. However, if line 32 is more than line 26, there is no additional tax on your unearned income; enter "0" on line 33 and on Form IT-201, lines 53 and 54, and attach Form IT-201-ATT to your return.

**Line 37**

Divide the amount on line 36 by \$100,000 and carry the result to four decimal places.

For example, if the amount on line 36 is \$76,500, divide this amount by \$100,000 and enter the result, (.7650), on line 37.

**Line 39****Additional tax on unearned income**

Multiply the amount on line 33 by the amount on line 38, and enter the result on line 39. Transfer this amount to Form IT-201, line 53.

---

# Index to Instructions

- A**  
Accelerated cost recovery system (ACRS)  
deduction, NY addition for 10  
NY year of disposition adjustment 11, 13  
Accumulation distribution credit 20  
New York City 16  
Add-back of EDZ investment on early  
dispositions 21  
Add-back of investment credit 21  
Additional tax on unearned income 14, 21, 22  
Additions  
to federal income 10  
to itemized deduction 13  
Address box 9  
Adjustments  
NY additions to federal adjusted gross  
income 10  
additions to itemized deduction 13  
federal — see "Federal income and  
adjustments" 9  
NY subtractions from federal adjusted  
gross income 11  
subtractions from itemized  
deduction 13  
Amended returns 5  
Amortization 10, 12, 13  
Armed you owe 17, 18  
Armed forces, members of 3  
Assistance — see "Need Help?" 8  
Attachments 19
- B**  
Basis (cost prior to 1960) 12  
Beneficiaries 10  
estates and trusts 3, 10  
Business income or (loss) 9
- C**  
Change of resident status (see "Nonresidents  
and Part-year residents" 4)  
Changes for 1988 2  
Changes in your federal income (see  
"Amended resident income tax  
return") 5  
Checklist 19  
Child and dependent care credit 15, 19  
City of NY taxes  
nonresident earnings tax 3, 16, 17  
resident tax 3, 16, 17, 22  
City of Yonkers taxes  
resident income tax surcharge 3, 16  
nonresident earnings tax 3, 16  
Computer filled-in returns 6  
Credits against tax 15  
City of New York 16  
New York State 15, 16, 17, 20
- D**  
Deceased taxpayers 3, 19  
Deductions  
NY itemized 13, 14, 19  
standard 14, 19  
subtractions from federal income 11  
Dependent, claimed as 9  
Dependents, exemptions for 14  
Depletion  
cost 12  
percentage 10  
Depreciation 5, 11  
NY subtraction for 12  
additional 10  
Disability income exclusion 5  
Domicile, defined 4
- E**  
Economic development zone credits 20  
Wage tax 20  
Capital corporation tax 20  
Investment tax 20  
Estate and trusts 3, 10  
Estimated income tax for individuals 5  
estates and trusts 3  
payments 3, 5, 17, 18  
underpayment of 18  
Exemptions for dependents 14  
Extension of time to file 5, 19  
Amount paid with IT-370 17
- F**  
Federal  
changes 5  
income and adjustments 9  
Federal/State tax agreement 6  
Filing requirements 3, 4, 5, 6  
Filing status 9, 19  
Forms and publications, how to order 5  
Fraudulent returns 7
- G**  
Gift for wildlife 8, 17
- H**  
Help - see "Need Help?" 8  
Homeowners and renters 3  
Household credit 6  
NY State 15  
City of NY 16  
How to get forms 5
- I**  
Income  
earned 1, 22  
federal — see "Federal income and  
adjustments" 9  
New York taxable 14  
tax withheld on 17  
unearned 14, 22  
Information — see "Need Help?" 8  
Interest income on state and  
local bonds 10  
Interest, late payment of tax 7  
Investment credit 20  
add-back of 21  
refund for new businesses 21  
Items of Tax Preference — see "NY State  
Minimum Income Tax" 21  
Itemized deduction New York 13, 14  
adjustment 13, 14
- L**  
Line-by-line instructions  
Form IT-201 9  
Form IT-201-ATT 20  
Form IT-214 23  
Lottery withholdings - see "Wage and  
Tax Statements" 6  
Lump-sum distributions  
resident credit against separate  
tax on 20
- M**  
Mailing envelope 19  
Mailing label 9, 18, 19  
Members of the armed forces 3  
Minimum income tax 21
- N**  
Name and social security number 6, 19  
Need Help? 8  
New business investment  
deferral recognition 11  
exclusion 12  
New York adjusted gross income 10  
Nonresident  
defined 4  
earnings taxes 3, 13, 16  
New York City and Yonkers 3
- O**  
Other forms you may have  
to file 5  
Other taxes 15, 16, 17, 20, 21, 22  
Overpayment 17
- P**  
Paid preparers 6, 19  
Partnerships 3, 10, 13  
Part-year NY City  
resident taxes 4, 21  
Part-year residents 4  
defined 3  
Payments 17  
Payments of estimated tax 5  
Penalties and interest 7  
Pensions and annuities 9, 11  
income exclusion 12  
Permanent home address 19  
Permanent place of abode 4  
Petroleum businesses 11  
Preaddressed mailing  
envelope 19, backcover  
Privacy notification 7  
Preparers, tax 6, 19  
Problem resolution program (see  
"Need Help?" 8)  
Professional service corporations 10
- R**  
Real property tax credit (see "Homeowners  
and renters" 3) 6, 17, 23  
Refunds 17, 18  
when to call about 8  
collection of debts 18  
disclaiming of spouse's  
debt 18  
Reminders 6  
Research and development  
credit (see investment credit 20)  
Resident credit 20  
Resident credit against separate tax  
on lump-sum distributions 20  
Resident  
defined 3  
Resolving tax problems back cover  
Returns  
computer filled-in 6  
processability — see "Penalties and  
Interest" 7  
Rounding off to whole dollars 6
- S**  
S corporations 10, 11, 12, 13  
Safe harbor leasing 11, 12  
Sale or exchange of property 9  
School district names and codes 18, 39-42  
Separate returns 5  
Separate tax on  
lump-sum distributions 20  
Service personnel 3  
Signatures 6, 19  
Social security number 6, 18, 19  
Solar and wind energy systems 11  
credit carryover 20  
Special additional mortgage recording  
tax credit 20  
Standard deduction, New York 14  
Steps for preparing your return 8, 18, 19  
Subtractions  
from federal income 11  
from itemized deduction 12, 13  
Summary of other credits/taxes 5, 20
- T**  
Taxable income, New York 14  
Tax computation 14  
Tax due (amount you owe) 17, 18  
Tax tables  
NY State 27-32  
City of NY 33-38  
Tax withheld 17  
Taxes, other 15, 16, 17, 20, 21, 22  
TCE and VITA 8  
Telephone assistance — see "Need Help?" 8  
Trusts and estates 3  
Tuition deduction 5
- U**  
Underpayment of estimated tax 18  
U. S. citizens abroad,  
get Publication 362 4
- V**  
VITA and TCE 8
- W**  
Wages, salaries, tips, etc. 9  
Wage and tax statements 6, 17, 19  
Waste treatment facilities 10  
When to file 6  
Where to file 5  
Which form to file 4, 5  
Who must file 3, 4  
Whole dollar amounts 6  
Wildlife, gift for 8, 17  
Worksheets  
Additional tax on unearned income 21  
child and dependent care credit 15  
dependent exemption 14  
household credit 15, 16  
New York State 15  
New York City 16  
itemized deduction adjustment  
A and B 14  
Yonkers  
resident income tax surcharge 16  
nonresident income tax surcharge 17  
part-year income tax surcharge 17  
tax withheld 17

**Resolving Tax Problems**

The best ways to avoid tax problems are to keep accurate tax records and to stay on top of current tax requirements. Inside this booklet is information that can help you do both; it refers to free publications you can order and gives toll-free numbers you can call for answers to your specific questions.

Most tax problems can be resolved informally. If your refund is late, call our toll-free refund information number; if you receive a tax deficiency notice that you think is in error, promptly call the number listed on the notice for guidance. Listed below is a toll-free number for ordering any forms you might need.

If you have made two or more attempts to resolve your problem and feel that you aren't getting anywhere, you may want to turn to our Problem Resolution Program, which is described on page 8 of this booklet. The program is set up specifically for taxpayers who have tried to resolve their problems through the normal channels but have been unsuccessful.

Only a relative handful of tax problems fail to be resolved by these informal means. However, if you are issued a *Notice of Deficiency* or a refund denial and you feel that the Tax Department has made a mistake, you still have a number of options available to you:

— You can request a **conciliation conference** through the newly established Bureau of Conciliation and Mediation Services. The conference is conducted

informally by a conferee who issues an order that is binding on the Tax Department, but not on you (you can appeal by filing a petition for a formal hearing, as explained below). To set up a conference, get a *Request for Conciliation Conference* by calling toll free 1 800 462-8100 or by writing to the Bureau of Conciliation and Mediation Services, NYS Tax Department, W.A. Harriman Campus, Albany, NY 12227.

— You can request a **small claims hearing** before an impartial presiding officer if the disputed amount is within certain dollar limitations set by the *Rules of Practice and Procedure*. The presiding officer's decision is final, but at any time before the end of the small claims hearing, you can request a transfer to a formal hearing before an administrative law judge. A copy of the *Rules of Practice and Procedure* will be sent to you when you request a petition form as explained below.

— You can file a petition for a **tax appeals hearing**. The hearing is held before an administrative law judge, and both you and the Tax Department may appeal the judge's decision to the Tax Appeals Tribunal. The Tax Department cannot seek a review of the Tribunal's decision, but you can by instituting an Article 78 proceeding in the Appellate Division of the State Supreme Court. You can get the petition forms by writing to the Division of Tax Appeals, Building 9, W.A. Harriman Campus, Albany, NY 12227.

**Telephone Assistance**

**For forms and publications**, call toll free (from New York State only) 1 800 462-8100.

From areas outside New York State, call (518) 438-1073.

**For information**, call toll free (from New York State only) **1 800 CALL TAX** (1 800 225-5829).

From areas outside New York State, call (518) 438-8581.

**For refund information only**, please wait until after April 17 to call toll free (from 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:

NYS Tax Department  
Taxpayer Assistance Bureau  
W. A. Harriman Campus  
Albany, NY 12227

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

**For refund returns:** NYS Income Tax  
W. A. Harriman Campus  
Refund '88  
Albany, NY 12227-0125

**For all other returns:** NYS Income Tax  
W. A. Harriman Campus  
Albany, NY 12227-0125