



Instructions for Form CT-658

Additional Restaurant Return-to-Work Credit

General information

For tax years that include December 31, 2022, the additional restaurant return-to-work credit is available to small business entities who operate predominately in the food services sector and have suffered economic harm due to the COVID-19 pandemic.

You must submit a completed application to Empire State Development (ESD) to claim the credit. If your application is approved, ESD will issue a certificate detailing the amount of tax credit available to claim. All determinations regarding eligibility are made by ESD.

For more information about the additional restaurant-return-to-work credit, visit the ESD website at www.esd.ny.gov and see Restaurant Return-to-Work Credit.

Eligibility

You are eligible for this credit if you:

- are subject to tax under Tax Law Article 9-A or 22;
- received the restaurant return-to-work credit for your 2021 tax year;
- did not cease operations on or before March 31, 2022; **and**
- have received or are the owner of a business entity that has received, a certificate of additional tax credit issued by ESD.

Credit details

The additional restaurant return-to-work credit is equal to \$5,000 per each increase in the number of full-time equivalent employees that is more than 10 but no more than 20, up to a maximum of \$50,000 per entity. You must use the same date you chose to compute your 2021 restaurant return-to-work credit. The jobs for these employees must continue to exist as of March 31, 2022.

The credit may not reduce the tax below the fixed dollar minimum tax.

If you have any unused amount of this credit for the current tax year, you may choose to have the overpayment of tax refunded or credited to next year's tax. Interest will not be paid on the refund or overpayment.

You may not apply this credit to the metropolitan transportation business tax (MTA surcharge) under Article 9-A.

New York S corporations: New York S corporations will calculate the credit. However, the S corporation may not use the credit against its own tax liability. Instead, the credit is passed through to the shareholders to use against their personal income tax liabilities on their New York State income tax returns. Complete only Schedules A and B.

Combined filers: A taxpayer filing as a member of a combined group is allowed to claim the credit, which is computed on a separate basis but applied against the combined tax.

Line instructions

Line A: Mark an **X** in the appropriate box to determine the parts of this form that you need to complete. If you are claiming this credit **both** as a corporation that earned the credit **and** as a corporate partner receiving a share of the credit, mark an **X** in the **Yes** box and complete all appropriate schedules on one Form CT-658.

Additional forms: If you have more entries than will fit on the lines provided in Schedules A, B, or E, submit additional Forms CT-658, completing only the necessary schedules. Include your name and taxpayer identification number on each form and enter the totals from all additional Forms CT-658 on the indicated lines. Place the additional forms behind the first Form CT-658 and submit them with your return.

Schedule A: Computation of credit

Use the information from the *Additional Restaurant Return to Work 2022 Certificate of Tax Credit* you received from ESD to complete this schedule. The amount entered cannot exceed the amount shown on the certificate. If needed, see *Additional forms*.

Retain your certificate of additional tax credit and be prepared to produce a copy in the case of an audit.

Note: Include all certificates with employment measurement dates in this year, even if you received an advance payment for one of the employment measurement dates.

Line 1: Total the amounts from column E. If not claiming an additional tax credit from a partnership, skip line 2 and enter line 1 amount on line 3.

Schedule B: Partnership information

If you were a partner in a partnership and received a share of the credit from that entity, complete this schedule. Enter the name, employer identification number (EIN), certificate number from the certificate issued to the partnership, and credit amount passed through to you from each partnership. Obtain this information from all partnerships allocating the credit to you. If needed, see *Additional forms*.

Line 3: New York S corporations must transfer this amount to the applicable line of Form CT-34-SH, *New York S Corporation Shareholders' Information Schedule*, and provide your shareholders with their proportionate share of this line. The shareholders will file Form IT-658, *Additional Restaurant Return-to-Work Credit*, to claim this credit on their New York State personal income tax returns.

Schedule C: Reconciliation of advance payments

Line 5: If you requested and received one or more additional restaurant return-to-work advance payments, enter the total amount of all payments received. Enter **0** if you did not receive an advance payment.

Line 6: Subtract line 5 from line 4. Enter the resulting value; show any negative amount with a minus sign (-).

If the line 6 amount is:

- **greater than zero (0)**, complete Schedule D to determine your remaining credit.
- **less than or equal to zero (0)**, do **not** complete Schedule D. If **less than zero (0)**, enter this negative amount, using a minus sign (-), in the appropriate box of the summary of tax credits claimed sections of your franchise tax return.

Schedule D: Computation of credit used, refunded, or credited as an overpayment to the next tax year

Lines 7 and 10 entries table

If you filed	Enter on line 7 any net recapture of other tax credits, plus the amount from	Enter on line 10 the minimum tax below
Form CT-3	Part 2, line 2	Part 2, line 1c amount
Form CT-3-A	Part 2, line 2	Part 2, line 1c amount

Line 7: Enter your tax due before credits using the *Lines 7 and 10 entries table*.

Line 8: If you are claiming more than one tax credit for this year, enter the total amount of credits claimed before applying this credit; otherwise enter **0**. Tax credits must be applied in a certain order.

For the correct order of credits, see Form CT-600-I, *Instructions for Form CT-600, Ordering of Corporation Tax Credits*.

If filing as a member of a combined group, include any amount of tax credits, including the additional restaurant return-to-work credit, claimed by other members of the combined group that you want to apply before this credit.

Line 10: Enter the fixed dollar minimum tax using the *Lines 7 and 10 entries table*.

Schedule E: Recapture of additional restaurant return-to-work credit

If ESD has adjusted or revoked a previously claimed credit that you earned directly or from a partnership, enter the certificate number in column A and the amount of credit that was adjusted or revoked in column B. If needed, see *Additional forms*.

Line 16

C corporations: Enter this amount as a negative number using a minus sign (-) in the appropriate box of the summary of tax credits claimed sections of your franchise tax return.

New York S corporations: Enter this amount on Form CT-34-SH and provide your shareholders with their proportionate share of this amount. The shareholder will enter this amount on Form IT-658.