



Analysis of Article 9-A General Business Corporation Franchise Tax Credits for 2002

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Introduction

This report provides an accounting of credit activity under the General Business Corporation Franchise Tax (Article 9-A). Section 109 (a) of the Business Tax Reform and Rate Reduction Act of 1987 mandated an annual study of tax credits available to Article 9-A taxpayers. The report does not include credit activity attributable to banks, insurance companies, or utilities because such entities are taxable under other articles of the Tax Law. The data used to generate this report come from an annual study conducted by the Office of Tax Policy Analysis (OTPA). The study is based on the latest available data drawn from New York State corporation tax returns. These data pertain to corporations whose taxable year began during the 2002 calendar year (hereinafter referred to as the 2002 tax liability year).¹

The appendices contain comprehensive information on corporate tax credits available in New York State. Appendices A and B provide descriptions of credits available during the 2002 liability year and subsequent periods, respectively. Appendix C lists the form numbers for every credit and the ordering rules applicable when claiming multiple credits. Appendix D recounts legislative actions since 1996 that impacted Article 9-A credits. Finally, Appendix E contains the legislative mandate for this report.

Highlights for 2002

- Corporate taxpayers earned a total of \$609.8 million in credits, claimed a total of \$2,634.9 million in credits, and used a total of \$152.3 million in credits against their Article 9-A liability.
- While the amount of credit claimed increased by \$334.0 million between 2001 and 2002, the amount of credit used decreased by almost \$8 million.
- However, taxpayers refunded \$6.8 million more credit in 2002 than 2001.

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- The total amount of credit refunded has increased from \$98.1 million in 2001, the first year of the Qualified Empire Zone Enterprise (QEZE) credits, to \$104.9 million in 2002, the second year of the QEZE program.
 - The doubling of the Empire Zone (EZ) wage tax credit amounts also contributed to the increase in credit refunded. In 2001, the first year with the doubled amounts, 70 taxpayers refunded \$2.7 million in wage tax credit. In 2002, 116 taxpayers refunded almost \$4 million.
 - The EZ and QEZE credits have become the predominant credits with the greatest impact on the budget.
 - When combining used and refunded credit amounts, the EZ/QEZE credits account for 48.9 percent of the total. The ITC is next, accounting for 29.7 percent of the total.

Analysis of Statistical Data

Description of Tables

The following tables present information for Article 9-A corporate tax credits.

The tables contain data on the number of taxpayers taking the credit, the total amount of credit, the mean amount of credit, and the median amount of credit² for the following components:

Credit Earned	The amount of credit generated in the current tax year.
Credit Claimed	The amount of credit which taxpayers have available during the taxable year. Taxpayers determine the amount of credit claimed by adding the amount of credit earned in the current year to the amount of unused credit from the prior year and subtracting any applicable credit recapture.
Credit Used	The amount of credit which taxpayers actually apply to their tax liability. ³
Credit Refunded	Unused credit amounts requested as a refund or applied against the next liability period. These are requested amounts from the tax return, not necessarily amounts actually paid. Refund requests are subject to audit and adjustment by the Tax Department and the Office of the State Comptroller.
Credit Carried Forward	Any unused amount of credit which is allowed to be used to offset tax liability in future years. The amount of credit carried forward is determined by subtracting the amount of credit used or refunded in the current year from the amount of credit claimed. ⁴

A series of tables presents profiles of the credits distributed by different subgroupings. These include: basis of taxation after credits, major industry group, size of entire net income, and size of credit used. Secrecy provisions preclude providing all subgroupings for all credits, and the tables do not present detailed information about refundable credits.

The basis of taxation tables reflect credits used by taxpayers whose tax is based on either the entire net income (ENI) base, the capital base, the alternative minimum tax (AMT) base or the fixed dollar minimum tax. The ENI and capital bases represent taxpayers who began under these bases, used credits, and remained under these bases (despite the use of credits). The fixed dollar minimum and AMT bases represent two different classes of taxpayers. The bases could include taxpayers who started under one of the other bases such as ENI, but because of credits, ended up either paying the fixed dollar minimum tax or the AMT. These bases could also include taxpayers who used credits to strictly offset their subsidiary capital tax.

The major industry group category is based on the North American Industry Classification System (NAICS). Taxpayers report their principal business activity using NAICS codes from their federal tax returns. These codes identify the general type of business activity in which the entity is engaged. Taxpayers who fail to provide NAICS information, or who may report outdated codes, become unidentifiable by industry group and are classified as such in this report.

Data Considerations

The data contained in these tables come directly from the returns of corporations claiming the credits.⁵ Due to disclosure provisions relating to the limited number of claims for the alternative fuels credit, only the totals for each credit component are displayed. For the same reason, profiles of the EZ-ITC for the financial services industry, the mortgage servicing tax credit, the qualified emerging technology company (QETC) capital tax credit and the low-income housing credit are unavailable.

The Tax Law limits some credits to a percentage of tax due or allows only a percentage of the credit to be used. The Empire Zone/Zone Equivalent Area (EZ/ZEA) wage tax credit and the EZ capital tax credit, respectively, in the aggregate cannot exceed 50 percent of the business corporation franchise tax that is calculated prior to applying any other credits.

Taxpayers permitted to take the investment tax credit (ITC), the employment incentive credit (EIC), the rehabilitation credit for historic barns, and the credit on research and development property report amounts earned during the tax year on separate lines on tax form CT-46-*Claim for Investment Tax Credit*. However, when computing the credit claimed, used, and carried forward, taxpayers combine the credits on the CT-46. This study presents these combined amounts for each of the credit components. Similarly, data for the EZ-ITC and the EZ-EIC are presented as combined amounts.

Several credits allow a refund of excess credit to new businesses only. The ITC, the ITC for the financial services industry, and the QETC employment credit allow a full refund to new businesses.⁶ The EZ/ZEA wage tax credit, the EZ-ITC, and the EZ-ITC for the financial services industry allow 50 percent of excess credit to be refunded by new businesses.

The alternative fuels credit allows excess credit to be transferred to affiliates of the taxpayer.

The qualified EZ enterprise (QEZE) credit for real property taxes, the QEZE tax reduction credit, the mortgage servicing tax credit, the industrial or manufacturing business (IMB) tax credit, and the credit for purchase of an automated external defibrillator do not allow any carryforward of excess credit.

(For more detail on these credits, see Appendix A.)

Summary of Credit Activity

The tables in this report summarize tax credit activity by component and type of credit. The totals in the tables may not match the detail tables due to rounding and disclosure requirements.

In all tables, '--' indicates that the component does not apply to the credit or that the data for that component are not available. A '0' means that the credit was available but not utilized by any taxpayers, or that the amount was less than \$100,000. The letter 'd' indicates that the data cannot be presented due to the confidentiality restrictions of the Tax Law. Total values for number of taxpayers, amount of credit, and mean and median credit were computed using all taxpayers in the study. The available data for all tables do not reflect changes made on audit or amended filings.

Overview of Credits Available During the 2002 Tax Liability Year

This section provides an overview of the credits available to taxpayers during the period covered by this report. The credits are discussed in detail in Appendix A.

Investment Tax Credit (ITC)

The ITC is available for property that is used primarily for the production of goods or for pollution control, waste treatment, or acid rain control facilities. The rate for the ITC equals 5 percent of the first \$350 million in investment, and 4 percent for investment over that amount.

Employment Incentive Credit (EIC)

Taxpayers allowed an ITC may be eligible for the EIC. This credit is a two-year credit determined by the original ITC base. The rate equals 1.5 percent of the ITC base if employment equals at least 101 percent, but less than 102 percent of base year employment. The rate equals 2 percent if employment equals at least 102 percent, but less than 103 percent of base year employment. The rate equals 2.5 percent if employment equals at least 103 percent of base year employment.

Rehabilitation Credit for Historic Barns

Taxpayers may claim a corporate franchise tax credit for the rehabilitation of historic barns in New York State. The credit equals 25 percent of qualified rehabilitation expenditures. A taxpayer may not claim both the regular ITC and the ITC for rehabilitation of historic barns on the same property.

Credit on Research and Development Property Under the ITC

Research and development (R&D) property qualifies for the ITC at a higher rate. Taxpayers may either choose the R&D rate of 9 percent or the lower ITC rate. By electing the lower rate, taxpayers also become eligible for the EIC in subsequent years based on increased employment.

(Because of the consolidation of the above four credits on the tax return, separate data for each does not appear in this report.)

ITC for the Financial Services Industry

Corporations, banks, and personal income taxpayers that are brokers or dealers in securities can receive the ITC for equipment or buildings used in broker/dealer activity and in activities connected with broker/dealer operations such as the provision of investment advisory services for a regulated investment company, and lending activities associated with the purchase and sale of securities. The credit allowances are the same as the traditional ITC.

Special Additional Mortgage Recording Tax Credit	A corporation may claim a credit equal in amount to the special additional recording tax paid on mortgages recorded on property located within certain areas of New York State.
Empire Zone (EZ) Credits/Zone Equivalent Area Wage Tax Credit	EZ credits include an ITC, a financial services ITC, a wage credit (for targeted and non-targeted employees), and a capital tax credit. A corresponding wage tax credit is available for employment in areas designated as Zone Equivalent Areas (ZEAs).
Qualified Empire Zone Enterprise (QEZE) Credits	Businesses that become certified as Qualified Empire Zone Enterprises can receive a credit against property taxes paid and a tax reduction credit in addition to the other Empire Zone credits. In order to qualify for the QEZE credits, a taxpayer must first satisfy an annual employment test.
Alternative Minimum Tax (AMT) Credit	In certain instances, taxpayers could be subject to double taxation on the same transaction under the regular tax system and the AMT. To eliminate this double-tax result, the law provides a credit mechanism. The AMT credit equals the taxpayer's adjusted minimum tax, minus any amount used as a minimum tax credit in prior years.
Farmers' School Tax Credit	Eligible farmers may claim a tax credit equal to 100 percent of the school property taxes paid on up to 250 acres of qualified agricultural property, and 50 percent of taxes paid on excess acreage.
Credit for Employment of Persons with Disabilities	Employers hiring individuals with disabilities may claim a credit for a portion of wages paid to such individuals.
Alternative Fuels Credit	A tax credit is allowed for electric vehicles, clean fuel vehicles, hybrid vehicles, and clean fuel refueling property. The credit also applies to electric vehicles and clean fuel vehicle property sold or leased to governmental agencies if the vehicle is manufactured in New York State.
Qualified Emerging Technology Company (QETC) Tax Credits	Two QETC credits are available to taxpayers. The employment credit equals \$1,000 for each employee hired by a QETC over a base year level. The capital tax credit is for companies investing in QETCs, and the amount of the credit varies depending upon how long the investment is held.

Industrial or Manufacturing Business (IMB) Tax Credit	Industrial or manufacturing businesses, defined as businesses that also qualify for the ITC, are allowed a credit equal to the taxes paid under Article 9 of the Tax Law by their suppliers for gas, electricity, steam, water, or refrigeration, or the services of providing such, which are used or consumed in New York State.
Credit for Purchase of an Automated External Defibrillator	Taxpayers may claim a credit for the purchase of an automated external defibrillator. The amount of the credit is equal to the cost of the defibrillator, but is capped at \$500 per unit.
Green Building Credit	<p>The green building credit provides incentives for the construction, rehabilitation, and maintenance of buildings with high environmental standards and energy efficiency. The credit rewards the use of environmentally preferable building materials and renewable and clean energy technologies.</p> <p>The Department of Environmental Conservation determines eligibility for the credit and the maximum credit amount allowable to the taxpayer.</p>
Low-Income Housing Credit	The New York State low-income housing tax credit program coordinates with the federal low-income housing credit program. The state credit is administered by the New York State Division of Housing and Community Renewal (DHCR) and is allocated for an eligible low income building for which an eligibility statement has been issued by the New York State Commissioner of Housing and Community Renewal.
Long-Term Care Insurance Credit	A credit is available for corporations that pay premiums for qualifying long-term care insurance policies. The credit is equal to 10 percent ⁷ of the premiums paid during the tax year for the purchase of, or continuing coverage under, a long-term care insurance policy that qualifies for the credit pursuant to section 1117 of the Insurance Law.

Endnotes

1. A significant change was made to the file definition this year. The file is now comprised of taxpayers whose filing period beginning date is 2002. Previous data files were comprised of taxpayers whose file period end date was between December of one year and November of the following year.
2. As used in this report, “mean amount of credit” is defined as the average amount of credit in a given category. “Median amount of credit” is defined as the central value representing an equal number of credit values above and below it.
3. Taxpayers may use credits to reduce their tax liabilities computed under the entire net income base, capital base, or subsidiary capital base. Generally, credits may not be used to reduce tax liability below the amount computed under the alternative minimum tax base or the fixed dollar minimum base, whichever is higher.
4. The computation for credit carried forward does not apply to some credits. The IMB credit and the QEZE credit for real property taxes do not allow a credit carryforward since they are fully refundable. The QEZE tax reduction credit, the mortgage servicing tax credit, and the credit for purchase of an automated external defibrillator do not allow any carryforward. The alternative fuels credit allows for a transfer of excess credits to affiliates of the taxpayer in addition to a credit carryforward.
5. Historical data presented in this report may differ from that presented in previous reports. This can occur as a result of changes made to the data collection process and minor adjustments made to the original data files. In certain limited instances, errors made on either prior year or 2002 tax liability year credit claim forms may also result in discrepancies.
6. Legislation enacted as part of the 2005-2006 State budget allowed the QETC employment credit to be refundable to all businesses, starting in 2005.
7. Legislation enacted as part of the 2004-2005 State budget increased the credit percentage to 20 percent of premiums paid for tax years beginning on or after January 1, 2004.

Table 1: Comparison of Article 9-A Tax Credit Activity - 2001 and 2002

	2001 (\$ in millions)							
	Total Credit Earned	Unused Credit from the Prior Year	Total Credit Available	Recaptured Credit	Credit Claimed	Credit Used	Refundable Credit ¹	Credit Carried Forward
Investment Tax Credit	\$172.8	\$1,492.2	\$1,665.0	\$25.7	\$1,639.3	\$67.7	\$27.2	\$1,544.4
Investment Tax Credit for the Financial Services Industry	83.4	50.5	133.9	2.2	131.6	17.4	0.1	114.1
Special Additional Mortgage Recording Tax Credit	4.0	3.2	7.2	0.0	7.2	0.8	3.6	2.8
Empire Zone Credits	239.5	225.9	465.4	6.4	459.0	66.4	58.3	334.3
Alternative Minimum Tax Credit	2.8	48.3	48.3	0.0	48.3	3.0	--	45.3
Mortgage Servicing Tax Credit	0.0	--	0.0	--	0.0	0.0	--	--
Farmers' School Tax Credit	0.7	0.1	0.7	0.0	0.7	0.1	0.5	0.1
Credit for Employment of Persons with Disabilities	0.2	0.1	0.3	0.0	0.3	0.2	0.0	0.2
Alternative Fuels Credit ²	0.2	0.4	0.6	0.0	0.6	0.2	0.0	0.4
OETC Employment Credit	1.0	0.6	1.6	0.0	1.6	0.1	0.4	1.1
OETC Capital Tax Credit ³	d/	d/	d/	d/	d/	d/	d/	d/
IMB Credit	12.2	--	12.2	--	12.2	4.2	8.0	--
Credit for Purchase of an Automated External Defibrillator	0.0	--	0.0	--	0.0	0.0	--	--
Green Building Credit ⁴	0.0	0.0	0.0	0.0	0.0	0.0	--	0.0
Low-Income Housing Credit ³	d/	d/	d/	d/	d/	d/	d/	d/
Total⁵	\$516.9	\$1,821.2	\$2,335.2	\$34.3	\$2,300.9	\$160.2	\$98.1	\$2,042.5

	2002 (\$ in millions)							
	Total Credit Earned	Unused Credit from the Prior Year	Total Credit Available	Recaptured Credit	Credit Claimed	Credit Used	Refundable Credit ¹	Credit Carried Forward
Investment Tax Credit	\$153.1	\$1,532.9	\$1,686.0	\$15.7	\$1,670.3	\$57.8	\$18.5	\$1,594.0
Investment Tax Credit for the Financial Services Industry	87.5	156.4	243.9	2.2	241.6	29.6	3.7	208.3
Special Additional Mortgage Recording Tax Credit	4.9	1.8	6.7	0.0	6.7	1.6	3.0	2.0
Empire Zone Credits	343.5	325.1	668.6	10.0	658.6	59.9	65.8	532.8
Alternative Minimum Tax Credit	3.7	38.9	38.9	0.0	38.9	0.6	0.0	38.3
Mortgage Servicing Tax Credit	d/	d/	d/	d/	d/	d/	d/	d/
Farmers' School Tax Credit	0.8	0.0	0.9	0.0	0.9	0.0	0.8	0.1
Credit for Employment of Persons with Disabilities	0.2	0.2	0.4	0.0	0.4	0.2	0.0	0.2
Alternative Fuels Credit ²	0.6	0.4	1.0	0.0	1.0	0.5	0.0	0.5
OETC Employment Credit	0.4	1.2	1.6	0.0	1.6	0.1	0.2	1.3
OETC Capital Tax Credit ³	d/	d/	d/	d/	d/	d/	d/	d/
IMB Credit	14.9	--	14.9	0.0	14.9	1.9	12.9	--
Credit for Purchase of an Automated External Defibrillator	0.0	--	0.0	0.0	0.0	0.0	0.0	--
Green Building Credit ⁴	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Low-Income Housing Credit ³	d/	d/	d/	d/	d/	d/	d/	d/
Long-Term Care Insurance Credit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total⁵	\$609.8	\$2,056.9	\$2,662.8	\$28.0	\$2,634.9	\$152.3	\$104.9	\$2,377.5

¹ Credit refunded includes amounts eligible for refund, but instead claimed as an overpayment applied against next year's tax liability at the discretion of the taxpayer.

² The provisions of this credit allow for the transfer of excess credit to affiliates of the taxpayer. However, in 2001 and 2002, no corporations transferred credit to affiliates.

³ In 2001 and 2002, this credit was claimed, but disclosure provisions prohibit listing the number of taxpayers or any amounts.

⁴ No credit was claimed in 2001 or 2002.

⁵ Total row reflects the vertical summation of the individual credit components. Horizontal calculations within the column are not valid. Totals may not add due to rounding.

Table 2: Profile of Total New York State Tax Credits – Credits Earned by Type - 2001 and 2002

Credit	2001		2002	
	Number of Taxpayers	Amount of Credit Earned	Number of Taxpayers	Amount of Credit Earned
Investment Tax Credit	2,008	\$172,754,306	1,870	\$153,081,758
Investment Tax Credit for the Financial Services Industry	51	83,388,289	43	87,472,700
Special Additional Mortgage Recording Credit	56	4,031,336	82	4,890,779
EZ Wage Tax Credit	325	58,753,997	438	59,853,631
EZ Capital Tax Credit	40	101,632	41	237,507
EZ Investment Tax Credit	299	111,175,886	365	189,843,063
EZ Investment Tax Credit for the Financial Services Industry	d/	d/	3	675
ZEA Wage Credit	60	24,157,997	79	29,882,207
QEZE Credit for Real Property Taxes	117	42,936,533	204	58,246,627
QEZE Tax Reduction Credit	42	2,197,598	190	5,454,179
Alternative Minimum Tax Credit	2,285	2,845,976	2,314	3,742,515
Mortgage Servicing Tax Credit	0	0	d/	d/
Farmers' School Tax Credit	108	667,412	139	843,862
Credit for Employment of Persons with Disabilities	34	179,854	49	195,630
Alternative Fuels Credit	3	238,631	5	606,416
QETC Employment Credit	37	993,553	27	403,063
QETC Capital Tax Credit	d/	d/	d/	d/
IMB Credit	1,006	12,240,892	1,202	14,863,909
Credit for Purchase of an Automated External Defibrillator	12	16,470	13	41,500
Green Building Credit	0	0	0	0
Low-Income Housing Credit	d/	d/	d/	d/
Long-Term Care Insurance Credit	-	-	32	38,854

Table 3: Profile of Total New York State Tax Credits – Credits Claimed by Type - 2001 and 2002

Credit	2001		2002	
	Number of Taxpayers	Amount of Credit Claimed	Number of Taxpayers	Amount of Credit Claimed
Investment Tax Credit	3,221	\$1,639,270,402	3,091	\$1,670,273,552
Investment Tax Credit for the Financial Services Industry	57	131,635,677	59	241,628,650
Special Additional Mortgage Recording Credit	92	7,192,250	127	6,697,969
EZ Wage Tax Credit	433	77,642,239	599	105,513,946
EZ Capital Tax Credit	44	170,118	54	370,624
EZ Investment Tax Credit	351	309,541,381	447	441,056,700
EZ Investment Tax Credit for the Financial Services Industry	3	204,830	5	32,232
ZEA Wage Credit	70	26,326,515	102	47,922,725
QEZE Credit for Real Property Taxes	117	42,936,533	204	58,246,222
QEZE Tax Reduction Credit	42	2,197,598	190	5,454,179
Alternative Minimum Tax Credit	3,089	48,278,395	2,924	38,880,490
Mortgage Servicing Tax Credit	0	0	d/	d/
Farmers' School Tax Credit	111	709,735	142	871,760
Credit for Employment of Persons with Disabilities	56	323,262	77	362,267
Alternative Fuels Credit	4	591,677	6	972,957
QETC Employment Credit	40	1,597,908	38	1,577,385
QETC Capital Tax Credit	d/	d/	d/	d/
IMB Credit	1,006	12,240,892	1,202	14,863,909
Credit for Purchase of an Automated External Defibrillator	12	16,470	13	41,500
Green Building Credit	0	0	0	0
Low-Income Housing Credit	d/	d/	d/	d/
Long-Term Care Insurance Credit	-	-	32	38,856

Table 4: Profile of Total New York State Tax Credits – Credits Used by Type - 2001 and 2002

Credit	2001		2002	
	Number of Taxpayers	Amount of Credit Used	Number of Taxpayers	Amount of Credit Used
Investment Tax Credit	2,208	\$67,738,256	2,138	\$57,805,085
Investment Tax Credit for the Financial Services Industry	46	17,396,166	45	29,624,906
Special Additional Mortgage Recording Credit	84	847,637	116	1,641,926
EZ Wage Tax Credit	303	31,462,210	350	25,448,782
EZ Capital Tax Credit	33	35,452	38	71,150
EZ Investment Tax Credit	208	22,097,202	250	18,829,959
EZ Investment Tax Credit for the Financial Services Industry	d/	d/	3	675
ZEA Wage Credit	54	10,058,980	73	9,286,664
QEZE Credit for Real Property Taxes	60	531,266	60	894,202
QEZE Tax Reduction Credit	42	2,197,598	173	5,335,449
Alternative Minimum Tax Credit	585	3,024,231	485	584,235
Mortgage Servicing Tax Credit	0	0	d/	d/
Farmers' School Tax Credit	48	62,334	20	23,665
Credit for Employment of Persons with Disabilities	37	163,669	51	174,436
Alternative Fuels Credit	3	225,136	3	480,875
QETC Employment Credit	20	130,322	17	111,078
QETC Capital Tax Credit	d/	d/	d/	d/
IMB Credit	594	4,241,640	421	1,948,429
Credit for Purchase of an Automated External Defibrillator	10	5,970	12	25,202
Green Building Credit	0	0	0	0
Low-Income Housing Credit	d/	d/	d/	d/
Long-Term Care Insurance Credit	-	-	28	28,199

Table 5: Profile of Total New York State Tax Credits – Credits Refunded by Type - 2001 and 2002

Credit	2001		2002	
	Number of Taxpayers	Amount of Credit Refunded	Number of Taxpayers	Amount of Credit Refunded
Investment Tax Credit	68	\$27,158,205	91	\$18,517,788
Investment Tax Credit for the Financial Services Industry	d/	d/	d/	d/
Special Additional Mortgage Recording Credit	13	3,592,377	13	2,998,940
EZ Wage Tax Credit	70	2,721,646	116	3,796,047
EZ Capital Tax Credit	-	-	-	-
EZ Investment Tax Credit	40	12,955,907	50	4,438,718
EZ Investment Tax Credit for the Financial Services Industry	0	0	0	0
ZEA Wage Credit	4	251,049	8	174,328
QEZE Credit for Real Property Taxes	93	42,405,267	183	57,352,019
QEZE Tax Reduction Credit	-	-	-	-
Alternative Minimum Tax Credit	-	-	-	-
Mortgage Servicing Tax Credit	-	-	-	-
Farmers' School Tax Credit	90	531,453	127	786,959
Credit for Employment of Persons with Disabilities	-	-	-	-
Alternative Fuels Credit	0	0	0	0
QETC Employment Credit	17	352,732	12	198,220
QETC Capital Tax Credit	-	-	-	-
IMB Credit	555	7,999,273	865	12,915,484
Credit for Purchase of an Automated External Defibrillator	-	-	-	-
Green Building Credit	-	-	-	-
Low-Income Housing Credit	-	-	-	-
Long-Term Care Insurance Credit	-	-	-	-

Table 6: Profile of Total New York State Tax Credits – Credits Carried Forward by Type - 2001 and 2002

Credit	2001		2002	
	Number of Taxpayers	Amount of Credit Carried Forward	Number of Taxpayers	Amount of Credit Carried Forward
Investment Tax Credit	2,698	\$1,544,373,947	2,620	\$1,593,950,669
Investment Tax Credit for the Financial Services Industry	30	114,098,695	34	208,288,472
Special Additional Mortgage Recording Credit	49	2,752,236	53	2,005,545
EZ Wage Tax Credit	389	43,458,389	553	76,269,100
EZ Capital Tax Credit	16	134,676	21	299,474
EZ Investment Tax Credit	313	274,488,277	411	417,788,022
EZ Investment Tax Credit for the Financial Services Industry	d/	d/	d/	d/
ZEA Wage Credit	50	16,016,487	78	38,461,741
QEZE Credit for Real Property Taxes	-	-	-	-
QEZE Tax Reduction Credit	-	-	-	-
Alternative Minimum Tax Credit	2,708	45,254,169	2,591	38,296,255
Mortgage Servicing Tax Credit	-	-	d/	d/
Farmers' School Tax Credit	18	115,948	14	61,136
Credit for Employment of Persons with Disabilities	31	159,594	43	187,832
Alternative Fuels Credit	d/	d/	3	492,082
OETC Employment Credit	18	1,114,854	22	1,315,085
OETC Capital Tax Credit	d/	d/	d/	d/
IMB Credit	-	-	-	-
Credit for Purchase of an Automated External Defibrillator	-	-	-	-
Green Building Credit	0	0	0	0
Low-Income Housing Credit	d/	d/	d/	d/
Long-Term Care Insurance Credit	-	-	12	10,657

Table 7: New York State Investment Tax Credit by Basis of Taxation - 2002 Liability Year

Credit Earned	Basis of Taxation	Number of	Amount of	% of Credit	Median Credit	Mean Credit
		Taxpayers	Credit Earned	Earned	Earned	Earned
	Entire Net Income	297	\$9,490,506	6.20	\$4,066	\$31,955
	Fixed Dollar Minimum Tax	959	87,731,594	57.31	4,664	91,482
	Capital Base	95	9,147,774	5.98	1,373	96,292
	Alternative Minimum Tax	519	46,711,884	30.51	9,055	90,004
	Total	1,870	\$153,081,758	100.00	\$5,441	\$81,862

Credit Claimed	Basis of Taxation	Number of	Amount of	% of Credit	Median Credit	Mean Credit
		Taxpayers	Credit Claimed	Claimed	Claimed	Claimed
	Entire Net Income	376	\$30,390,157	1.82	\$4,239	\$80,825
	Fixed Dollar Minimum Tax	1,796	1,115,839,689	66.81	28,145	621,292
	Capital Base	184	123,979,712	7.42	5,576	673,803
	Alternative Minimum Tax	735	400,063,994	23.95	42,647	544,305
	Total	3,091	\$1,670,273,552	100.00	\$24,323	\$540,367

Credit Used	Basis of Taxation	Number of	Amount of	% of Credit	Median Credit	Mean Credit
		Taxpayers	Credit Used	Used	Used	Used
	Entire Net Income	330	\$10,317,691	17.85	\$3,909	\$31,266
	Fixed Dollar Minimum Tax	1,044	15,988,722	27.66	857	15,315
	Capital Base	116	1,936,340	3.35	1,126	16,693
	Alternative Minimum Tax	648	29,562,332	51.14	3,943	45,621
	Total	2,138	\$57,805,085	100.00	\$1,927	\$27,037

Credit Carried Forward	Basis of Taxation	Number of	Amount of	% of Credit	Median Credit	Mean Credit
		Taxpayers	Credit Carried Forward	Carried Forward	Carried Forward	Carried Forward
	Entire Net Income	66	\$19,995,377	1.25	\$15,745	\$302,960
	Fixed Dollar Minimum Tax	1,758	1,095,314,921	68.72	26,798	623,046
	Capital Base	84	109,375,589	6.86	23,098	1,302,090
	Alternative Minimum Tax	712	369,264,782	23.17	37,563	518,630
	Total	2,620	\$1,593,950,669	100.00	\$28,511	\$608,378

Table 8: New York State Investment Tax Credit by Major Industry Group - 2002 Liability Year

Credit Earned	Major Industry Group	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Median Credit Earned	Mean Credit Earned
	Agriculture, Forestry, Fishing & Hunting	186	\$1,561,089	1.02	\$2,347	\$8,393
	Mining	26	906,417	0.59	15,593	34,862
	Utilities	d/	d/	d/	d/	d/
	Construction	37	1,194,194	0.78	3,750	32,276
	Manufacturing	1,252	98,178,562	64.13	20,582	240,021
	Wholesale Trade	95	3,116,576	2.04	3,095	32,806
	Retail Trade	38	3,232,136	2.11	7,945	134,097
	Transportation & Warehousing	5	13,189	0.01	1,103	2,638
	Information	51	8,671,664	5.66	25,810	170,033
	Finance and Insurance	d/	d/	d/	d/	d/
	Real Estate, Rental, & Leasing	5	39,798	0.03	1,980	7,960
	Professional, Scientific, & Technical Services	82	16,769,190	10.95	4,277	204,502
	Management of Companies & Enterprises	56	17,343,080	11.33	46,436	309,698
	Administrative & Support & Waste Management & Remediation Services	3	1,299,049	0.85	d/	433,016
	Educational Services	0	0	0.00	0	0
	Health Care & Social Assistance	22	554,926	0.36	3,920	25,224
	Arts, Entertainment, & Recreation	d/	d/	d/	d/	d/
	Accommodation & Food Services	d/	d/	d/	d/	d/
	Other Services (except Public Administration)	6	22,572	0.01	2,484	3,762
	Public Administration	0	0	0.00	0	0
	Total	1,870	\$153,081,758	100.00	\$5,441	\$81,862

Credit Claimed	Major Industry Group	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Median Credit Claimed	Mean Credit Claimed
	Agriculture, Forestry, Fishing & Hunting	267	\$14,328,310	0.86	\$15,880	\$53,664
	Mining	40	5,295,780	0.32	41,628	132,395
	Utilities	3	344,267	0.02	d/	114,756
	Construction	67	5,057,731	0.30	11,409	75,489
	Manufacturing	2,066	1,115,745,539	66.80	92,727	1,402,373
	Wholesale Trade	170	14,209,072	0.85	8,818	83,583
	Retail Trade	71	6,642,955	0.40	10,107	158,688
	Transportation & Warehousing	7	147,235	0.01	10,697	21,034
	Information	84	24,151,693	1.45	33,662	287,520
	Finance and Insurance	d/	d/	d/	d/	d/
	Real Estate, Rental, & Leasing	20	5,795,664	0.35	19,379	289,783
	Professional, Scientific, & Technical Services	133	366,639,654	21.95	10,860	2,756,689
	Management of Companies & Enterprises	82	107,452,027	6.43	263,236	1,310,391
	Administrative & Support & Waste Management & Remediation Services	8	1,440,627	0.09	1,862	180,078
	Educational Services	0	0	0.00	0	0
	Health Care & Social Assistance	51	1,982,733	0.12	7,063	38,877
	Arts, Entertainment, & Recreation	4	90,011	0.01	17,191	22,503
	Accommodation & Food Services	d/	d/	d/	d/	d/
	Other Services (except Public Administration)	14	415,865	0.02	23,581	29,705
	Public Administration	0	0	0.00	0	0
	Total	3,091	\$1,670,273,552	100.00	\$24,323	\$540,367

Table 8: New York State Investment Tax Credit by Major Industry Group - 2002 Liability Year (Cont'd)

Credit Used	Major Industry Group	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
	Agriculture, Forestry, Fishing & Hunting	188	\$507,990	0.88	\$689	\$2,702
	Mining	32	588,414	1.02	3,562	18,388
	Utilities	d/	d/	d/	d/	d/
	Construction	50	901,625	1.56	1,262	18,033
	Manufacturing	1,463	33,953,217	58.74	6,908	73,552
	Wholesale Trade	116	1,586,596	2.74	1,742	13,678
	Retail Trade	41	721,710	1.25	2,553	29,144
	Transportation & Warehousing	4	5,157	0.01	1,413	1,289
	Information	61	4,200,778	7.27	7,147	68,865
	Finance and Insurance	d/	d/	d/	d/	d/
	Real Estate, Rental, & Leasing	9	20,760	0.04	642	2,307
	Professional, Scientific, & Technical Services	80	5,782,202	10.00	2,550	72,278
	Management of Companies & Enterprises	57	9,170,791	15.87	20,308	160,891
	Administrative & Support & Waste Management & Remediation Services	5	252,887	0.44	667	50,577
	Educational Services	0	0	0.00	0	0
	Health Care & Social Assistance	20	63,622	0.11	1,079	3,181
	Arts, Entertainment, & Recreation	3	18,656	0.03	d/	6,219
	Accommodation & Food Services	d/	d/	d/	d/	d/
	Other Services (except Public Administration)	5	7,838	0.01	764	1,568
	Public Administration	0	0	0.00	0	0
	Total	2,138	\$57,805,085	100.00	\$1,927	\$27,037

Credit Carried Forward	Major Industry Group	Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Median Credit Carried Forward	Mean Credit Carried Forward
	Agriculture, Forestry, Fishing & Hunting	249	\$13,764,647	0.86	\$16,849	\$55,280
	Mining	35	4,670,381	0.29	40,790	133,439
	Utilities	3	334,751	0.02	d/	111,584
	Construction	56	4,137,494	0.26	15,080	73,884
	Manufacturing	1,762	1,063,873,553	66.74	114,699	1,555,231
	Wholesale Trade	136	12,582,519	0.79	11,236	92,519
	Retail Trade	51	5,921,245	0.37	8,851	215,112
	Transportation & Warehousing	5	142,078	0.01	28,930	28,416
	Information	63	19,950,915	1.25	39,441	316,681
	Finance and Insurance	d/	d/	d/	d/	d/
	Real Estate, Rental, & Leasing	18	5,774,904	0.36	26,596	320,828
	Professional, Scientific, & Technical Services	105	360,766,259	22.63	15,571	3,435,869
	Management of Companies & Enterprises	68	98,204,581	6.16	298,604	1,444,185
	Administrative & Support & Waste Management & Remediation Services	6	1,187,740	0.07	20,692	197,957
	Educational Services	0	0	0.00	0	0
	Health Care & Social Assistance	44	1,639,157	0.10	8,063	37,254
	Arts, Entertainment, & Recreation	3	71,355	0.00	d/	23,785
	Accommodation & Food Services	d/	d/	d/	d/	d/
	Other Services (except Public Administration)	13	408,027	0.03	25,635	31,387
	Public Administration	0	0	0.00	0	0
	Total	2,620	\$1,593,950,669	100.00	\$28,511	\$608,378

Table 9: New York State Investment Tax Credit by Size of Entire Net Income - 2002 Liability Year

Credit Earned	Size of Entire Net Income		Number of	Amount of	% of Credit	Median Credit	Mean Credit
			Taxpayers	Credit Earned	Earned	Earned	Earned
	Zero or Net		857	\$79,389,093	51.86	\$5,606	\$92,636
	\$ 1	\$ 99,999	465	3,952,451	2.58	2,171	8,500
	100,000	499,999	189	3,886,022	2.54	5,960	20,561
	500,000	999,999	65	2,672,750	1.75	9,801	41,119
	1,000,000	24,999,999	226	17,582,611	11.49	21,463	77,799
	25,000,000	49,999,999	22	7,124,821	4.65	59,674	323,856
	50,000,000	99,999,999	20	7,002,437	4.57	211,598	350,122
	100,000,000	499,999,999	20	10,220,652	6.68	113,612	511,033
	500,000,000	and over	6	21,250,921	13.88	1,101,804	3,541,820
		Total	1,870	\$153,081,758	100.00	\$5,441	\$81,862

Credit Claimed	Size of Entire Net Income		Number of	Amount of	% of Credit	Median Credit	Mean Credit
			Taxpayers	Credit Claimed	Claimed	Claimed	Claimed
	Zero or Net		1,577	\$845,585,333	50.63	\$30,570	\$536,199
	\$ 1	\$ 99,999	843	37,005,918	2.22	10,836	43,898
	100,000	499,999	258	34,684,621	2.08	22,783	134,437
	500,000	999,999	79	15,746,056	0.94	30,494	199,317
	1,000,000	24,999,999	259	105,181,308	6.30	66,989	406,105
	25,000,000	49,999,999	24	35,929,162	2.15	59,484	1,497,048
	50,000,000	99,999,999	20	53,662,891	3.21	355,944	2,683,145
	100,000,000	499,999,999	24	162,811,988	9.75	60,844	6,783,833
	500,000,000	and over	7	379,666,275	22.73	1,998,855	54,238,039
		Total	3,091	\$1,670,273,552	100.00	\$24,323	\$540,367

Table 9: New York State Investment Tax Credit by Size of Entire Net Income - 2002 Liability Year (Cont'd)

Credit Used	Size of Entire Net Income		Number of	Amount of	% of Credit	Median Credit	Mean Credit
			Taxpayers	Credit Used	Used	Used	Used
	Zero or Net		896	\$12,146,698	21.01	\$1,141	\$13,557
	\$ 1	\$ 99,999	631	1,050,231	1.82	971	1,664
	100,000	499,999	227	1,715,676	2.97	5,377	7,558
	500,000	999,999	72	1,232,175	2.13	14,856	17,114
	1,000,000	24,999,999	238	11,954,376	20.68	23,849	50,228
	25,000,000	49,999,999	23	4,029,261	6.97	41,142	175,185
	50,000,000	99,999,999	20	4,108,553	7.11	188,478	205,428
	100,000,000	499,999,999	24	8,791,676	15.21	60,844	366,320
	500,000,000	and over	7	12,776,439	22.10	1,029,759	1,825,206
		Total	2,138	\$57,805,085	100.00	\$1,927	\$27,037
Credit Carried Forward	Size of Entire Net Income		Number of	Amount of	% of Credit	Median Credit	Mean Credit
			Taxpayers	Credit Carried Forward	Carried Forward	Carried Forward	Carried Forward
	Zero or Net		1,464	\$816,011,931	51.19	\$32,050	\$557,385
	\$ 1	\$ 99,999	746	35,542,023	2.23	13,753	47,643
	100,000	499,999	185	32,945,461	2.07	39,917	178,084
	500,000	999,999	53	14,513,881	0.91	65,930	273,847
	1,000,000	24,999,999	143	92,648,121	5.81	223,973	647,889
	25,000,000	49,999,999	10	31,899,901	2.00	1,531,019	3,189,990
	50,000,000	99,999,999	10	49,479,203	3.10	1,051,874	4,947,920
	100,000,000	499,999,999	4	154,020,312	9.66	6,904,955	38,505,078
	500,000,000	and over	5	366,889,836	23.02	7,612,950	73,377,967
		Total	2,620	\$1,593,950,669	100.00	\$28,511	\$608,378

Table 10: New York State Investment Tax Credit by Size of Credit Used - 2002 Liability Year

Credit Earned	Size of Credit Used		Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Median Credit Earned	Mean Credit Earned
	Negative*			d/	d/	d/	d/
Zero			344	\$21,464,350	14.02	\$3,482	\$62,396
	\$ 1 -	\$ 499	267	1,147,577	0.75	1,068	4,298
	500 -	999	d/	d/	d/	d/	d/
	1,000 -	4,999	482	10,314,057	6.74	3,111	21,398
	5,000 -	9,999	149	4,690,566	3.06	9,445	31,480
	10,000 -	24,999	190	10,985,179	7.18	18,482	57,817
	25,000 -	49,999	100	7,169,733	4.68	35,141	71,697
	50,000 -	99,999	56	4,898,728	3.20	71,349	87,477
	100,000 -	499,999	95	58,341,913	38.11	242,926	614,125
	500,000 -	and over	11	33,056,641	21.59	1,173,849	3,005,149
		Total	1,870	\$153,081,758	100.00	\$5,441	\$81,862

Credit Claimed	Size of Credit Used		Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Median Credit Claimed	Mean Credit Claimed
	Negative*			12	-\$486,992	-0.03	-\$8,814
Zero			953	279,095,231	16.71	17,285	292,860
	\$ 1 -	\$ 499	501	22,926,238	1.37	9,150	45,761
	500 -	999	276	11,431,599	0.68	11,313	41,419
	1,000 -	4,999	656	100,797,295	6.03	22,975	153,654
	5,000 -	9,999	188	58,542,642	3.51	41,505	311,397
	10,000 -	24,999	225	140,488,427	8.41	74,483	624,393
	25,000 -	49,999	111	48,278,347	2.89	121,699	434,940
	50,000 -	99,999	59	53,070,858	3.18	250,961	899,506
	100,000 -	499,999	97	393,565,341	23.56	781,920	4,057,375
	500,000 -	and over	13	562,564,566	33.68	2,667,424	43,274,197
		Total	3,091	\$1,670,273,552	100.00	\$24,323	\$540,367

* "Negative" means recapture exceeds amount of available credit.

Table 10: New York State Investment Tax Credit by Size of Credit Used - 2002 Liability Year (Cont'd)

Credit Used	Size of Credit Used		Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
	Negative*		12	-\$486,992	-0.84	-\$8,814	-\$40,583
	Zero		0	0	0.00	0	0
	\$ 1 -	\$ 499	501	111,605	0.19	202	223
	500 -	999	276	198,024	0.34	703	717
	1,000 -	4,999	656	1,591,404	2.75	2,199	2,426
	5,000 -	9,999	188	1,329,052	2.30	6,679	7,069
	10,000 -	24,999	225	3,581,977	6.20	14,814	15,920
	25,000 -	49,999	111	3,983,686	6.89	35,528	35,889
	50,000 -	99,999	59	4,368,895	7.56	72,666	74,049
	100,000 -	499,999	97	21,526,422	37.24	188,395	221,922
	500,000 -	and over	13	21,601,012	37.37	934,938	1,661,616
	Total		2,138	\$57,805,085	100.00	\$1,927	\$27,037

Credit Carried Forward	Size of Credit Used		Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Median Credit Carried Forward	Mean Credit Carried Forward
	Negative*		0	\$0	0.00	\$0	\$0
	Zero		940	278,438,140	17.47	17,622	296,211
	\$ 1 -	\$ 499	425	22,712,995	1.42	12,333	53,442
	500 -	999	222	11,094,408	0.70	20,616	49,975
	1,000 -	4,999	510	96,947,546	6.08	37,589	190,093
	5,000 -	9,999	146	56,683,706	3.56	78,419	388,245
	10,000 -	24,999	170	135,817,099	8.52	127,772	798,924
	25,000 -	49,999	76	44,220,899	2.77	310,550	581,854
	50,000 -	99,999	46	48,582,339	3.05	374,047	1,056,138
	100,000 -	499,999	73	358,565,118	22.50	1,303,668	4,911,851
	500,000 -	and over	12	540,888,419	33.93	4,807,619	45,074,035
	Total		2,620	\$1,593,950,669	100.00	\$28,511	\$608,378

* "Negative" means recapture exceeds amount of available credit.

Table 11: New York State Investment Tax Credit for the Financial Services Industry by Basis of Taxation - 2002 Liability Year

Credit Earned	Basis of Taxation	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Median Credit Earned	Mean Credit Earned
	Entire Net Income	16	\$4,761,603	5.44	\$131,362	\$297,600
Fixed Dollar Minimum Tax	10	11,959,684	13.67	94,661	1,195,968	
Capital Base	8	1,535,739	1.76	1,298	191,967	
Alternative Minimum Tax	9	69,215,674	79.13	442,800	7,690,630	
Total	43	\$87,472,700	100.00	\$129,324	\$2,034,249	

Credit Claimed	Basis of Taxation	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Median Credit Claimed	Mean Credit Claimed
	Entire Net Income	18	\$5,298,129	2.19	\$116,272	\$294,341
Fixed Dollar Minimum Tax	18	68,562,738	28.38	41,925	3,809,041	
Capital Base	13	14,787,213	6.12	509	1,137,478	
Alternative Minimum Tax	10	152,980,570	63.31	533,327	15,298,057	
Total	59	\$241,628,650	100.00	\$21,627	\$4,095,401	

Credit Used	Basis of Taxation	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
	Entire Net Income	16	\$5,279,309	17.82	\$131,362	\$329,957
Fixed Dollar Minimum Tax	13	480,036	1.62	5,959	36,926	
Capital Base	8	375,418	1.27	1,298	46,927	
Alternative Minimum Tax	8	23,490,143	79.29	719,895	2,936,268	
Total	45	\$29,624,906	100.00	\$10,316	\$658,331	

Credit Carried Forward	Basis of Taxation	Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Median Credit Carried Forward	Mean Credit Carried Forward
	Entire Net Income	d/	d/	d/	d/	d/
Fixed Dollar Minimum Tax	17	\$68,082,702	32.69	\$39,217	\$4,004,865	
Capital Base	d/	d/	d/	d/	d/	d/
Alternative Minimum Tax	9	125,775,155	60.39	613,415	13,975,017	
Total	34	\$208,288,472	100.00	\$27,703	\$6,126,132	

Table 12: New York State Special Additional Mortgage Recording Tax Credit by Basis of Taxation - 2002 Liability Year

Credit Earned	Basis of Taxation	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Median Credit Earned	Mean Credit Earned
	Entire Net Income	4	\$845,157	17.28	\$93,337	\$211,289
Fixed Dollar Minimum Tax	20	2,280,400	46.63	4,762	114,020	
Capital Base	51	111,959	2.29	1,248	2,195	
Alternative Minimum Tax	7	1,653,263	33.80	106,165	236,180	
Total	82	\$4,890,779	100.00	\$2,164	\$59,644	

Credit Claimed	Basis of Taxation	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Median Credit Claimed	Mean Credit Claimed
	Entire Net Income	4	\$1,222,782	18.26	\$93,337	\$305,696
Fixed Dollar Minimum Tax	50	2,807,205	41.91	3,977	56,144	
Capital Base	64	133,363	1.99	1,088	2,084	
Alternative Minimum Tax	9	2,534,619	37.84	97,887	281,624	
Total	127	\$6,697,969	100.00	\$2,133	\$52,740	

Credit Used	Basis of Taxation	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
	Entire Net Income	4	\$1,222,782	74.47	\$93,337	\$305,696
Fixed Dollar Minimum Tax	43	68,969	4.20	610	1,604	
Capital Base	60	121,830	7.42	1,035	2,031	
Alternative Minimum Tax	9	228,345	13.91	14,594	25,372	
Total	116	\$1,641,926	100.00	\$1,054	\$14,155	

Credit Carried Forward	Basis of Taxation	Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Median Credit Carried Forward	Mean Credit Carried Forward
	Entire Net Income	0	0	0.00	0	0
Fixed Dollar Minimum Tax	45	\$1,185,634	59.12	\$3,297	\$26,347	
Capital Base	5	11,533	0.58	1,495	2,307	
Alternative Minimum Tax	3	808,378	40.31	d/	269,459	
Total	53	\$2,005,545	100.00	\$2,339	\$37,840	

Table 13: New York State EZ Wage Tax Credit by Basis of Taxation - 2002 Liability Year

Credit Earned	Basis of Taxation	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Median Credit Earned	Mean Credit Earned
	Entire Net Income	129	\$12,481,011	20.85	\$16,500	\$96,752
Fixed Dollar Minimum Tax	201	38,169,437	63.77	21,000	189,898	
Capital Base	40	5,878,459	9.82	14,750	146,961	
Alternative Minimum Tax	68	3,324,724	5.55	11,438	48,893	
Total	438	\$59,853,631	100.00	\$17,625	\$136,652	

Credit Claimed	Basis of Taxation	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Median Credit Claimed	Mean Credit Claimed
	Entire Net Income	169	\$30,765,355	29.16	\$18,000	\$182,044
Fixed Dollar Minimum Tax	282	57,345,631	54.35	29,813	203,353	
Capital Base	60	10,074,210	9.55	24,451	167,904	
Alternative Minimum Tax	88	7,328,750	6.95	23,217	83,281	
Total	599	\$105,513,946	100.00	\$25,009	\$176,150	

Credit Used	Basis of Taxation	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
	Entire Net Income	125	\$6,562,029	25.79	\$2,564	\$52,496
Fixed Dollar Minimum Tax	120	17,184,578	67.53	1,135	143,205	
Capital Base	43	1,035,110	4.07	1,405	24,072	
Alternative Minimum Tax	62	667,065	2.62	1,913	10,759	
Total	350	\$25,448,782	100.00	\$1,906	\$72,711	

Credit Carried Forward	Basis of Taxation	Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Median Credit Carried Forward	Mean Credit Carried Forward
	Entire Net Income	142	\$23,702,943	31.08	\$16,748	\$166,922
Fixed Dollar Minimum Tax	276	37,575,781	49.27	25,477	136,144	
Capital Base	55	8,682,780	11.38	28,527	157,869	
Alternative Minimum Tax	80	6,307,596	8.27	26,582	78,845	
Total	553	\$76,269,100	100.00	\$23,135	\$137,919	

Table 14: New York State EZ Wage Tax Credit by Major Industry Group - 2002 Liability Year

Credit Earned	Major Industry Group	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Median Credit Earned	Mean Credit Earned
	Agriculture, Forestry, Fishing & Hunting	0	\$0	0.00	\$0	\$0
	Mining	0	0	0.00	0	0
	Utilities	d/	d/	d/	d/	d/
	Construction	24	484,530	0.81	12,375	20,189
	Manufacturing	145	18,115,145	30.27	110,625	355,045
	Wholesale Trade	54	2,311,810	3.86	12,375	42,811
	Retail Trade	52	4,063,875	6.79	34,500	201,588
	Transportation & Warehousing	21	2,483,625	4.15	60,375	243,596
	Information	5	584,250	0.98	16,875	116,850
	Finance and Insurance	12	108,978	0.18	10,500	9,082
	Real Estate, Rental, & Leasing	25	\$240,404	0.40	\$1,500	\$9,616
	Professional, Scientific, & Technical Services	32	25,030,654	41.82	19,500	782,208
	Management of Companies & Enterprises	17	3,677,950	6.14	63,020	216,350
	Administrative & Support & Waste Management & Remediation Services	7	311,250	0.52	40,500	44,464
	Educational Services	d/	d/	d/	d/	d/
	Health Care & Social Assistance	10	677,250	1.13	7,500	67,725
	Arts, Entertainment, & Recreation	3	151,500	0.25	d/	50,500
	Accommodation & Food Services	11	92,535	0.15	3,000	8,412
	Other Services (except Public Administration)	17	764,625	1.28	13,500	44,978
	Public Administration	0	0	0.00	0	0
	Total	438	\$59,853,631	100.00	\$17,625	\$136,652

Credit Claimed	Major Industry Group	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Median Credit Claimed	Mean Credit Claimed
	Agriculture, Forestry, Fishing & Hunting	d/	d/	d/	d/	d/
	Mining	0	\$0	0.00	\$0	\$0
	Utilities	d/	d/	d/	d/	d/
	Construction	33	863,052	0.82	14,438	26,153
	Manufacturing	225	48,894,517	46.34	150,722	578,927
	Wholesale Trade	71	4,896,103	4.64	17,516	68,959
	Retail Trade	66	5,123,688	4.86	39,705	186,099
	Transportation & Warehousing	26	5,804,620	5.50	97,796	377,908
	Information	8	1,308,296	1.24	20,313	163,537
	Finance and Insurance	13	157,947	0.15	9,000	12,150
	Real Estate, Rental, & Leasing	27	\$380,834	0.36	\$2,250	\$14,105
	Professional, Scientific, & Technical Services	45	27,311,864	25.88	29,109	606,930
	Management of Companies & Enterprises	22	5,453,401	5.17	52,529	247,882
	Administrative & Support & Waste Management & Remediation Services	9	669,014	0.63	58,326	74,335
	Educational Services	d/	d/	d/	d/	d/
	Health Care & Social Assistance	12	1,460,023	1.38	27,750	121,669
	Arts, Entertainment, & Recreation	3	176,107	0.17	d/	58,702
	Accommodation & Food Services	13	130,268	0.12	4,875	10,021
	Other Services (except Public Administration)	21	1,480,624	1.40	20,750	70,506
	Public Administration	0	0	0.00	0	0
	Total	599	\$105,513,946	100.00	\$25,009	\$176,150

Table 14: New York State EZ Wage Tax Credit by Major Industry Group - 2002 Liability Year (Cont'd)

Credit Used	Major Industry Group	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
	Agriculture, Forestry, Fishing & Hunting	d/	d/	d/	d/	d/
Mining	0	\$0	0.00	\$0	\$0	
Utilities	0	0	0.00	0	0	
Construction	19	78,314	0.31	1,873	4,122	
Manufacturing	125	3,351,676	13.17	7,731	63,810	
Wholesale Trade	46	1,105,761	4.35	3,000	24,038	
Retail Trade	52	2,937,241	11.54	4,497	135,827	
Transportation & Warehousing	17	232,353	0.91	6,007	26,400	
Information	3	148,544	0.58	d/	49,515	
Finance and Insurance	5	37,521	0.15	6,302	7,504	
Real Estate, Rental, & Leasing	11	\$15,595	0.06	\$1,405	\$1,418	
Professional, Scientific, & Technical Services	25	16,122,605	63.35	889	644,904	
Management of Companies & Enterprises	13	1,089,766	4.28	8,491	83,828	
Administrative & Support & Waste Management & Remediation Services	5	151,135	0.59	2,573	30,227	
Educational Services	d/	d/	d/	d/	d/	
Health Care & Social Assistance	6	88,921	0.35	2,657	14,820	
Arts, Entertainment, & Recreation	d/	d/	d/	d/	d/	
Accommodation & Food Services	4	4,789	0.02	1,013	1,197	
Other Services (except Public Administration)	15	68,500	0.27	445	4,567	
Public Administration	0	0	0.00	0	0	
Total	350	\$25,448,782	100.00	\$1,906	\$72,711	

Credit Carried Forward	Major Industry Group	Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Median Credit Carried Forward	Mean Credit Carried Forward
	Agriculture, Forestry, Fishing & Hunting	d/	d/	d/	d/	d/
Mining	0	\$0	0.00	\$0	\$0	
Utilities	d/	d/	d/	d/	d/	
Construction	33	743,527	0.97	10,500	22,531	
Manufacturing	211	42,910,780	56.26	122,451	532,348	
Wholesale Trade	61	3,644,564	4.78	17,250	59,747	
Retail Trade	59	2,020,877	2.65	37,962	81,999	
Transportation & Warehousing	23	5,340,859	7.00	108,319	337,909	
Information	8	1,159,752	1.52	20,313	144,969	
Finance and Insurance	12	104,957	0.14	4,396	8,746	
Real Estate, Rental, & Leasing	21	\$295,613	0.39	\$2,130	\$14,077	
Professional, Scientific, & Technical Services	45	10,971,619	14.39	18,068	243,814	
Management of Companies & Enterprises	19	4,313,912	5.66	33,547	227,048	
Administrative & Support & Waste Management & Remediation Services	9	458,254	0.60	43,773	50,917	
Educational Services	d/	d/	d/	d/	d/	
Health Care & Social Assistance	11	1,357,600	1.78	28,500	123,418	
Arts, Entertainment, & Recreation	3	161,596	0.21	d/	53,865	
Accommodation & Food Services	13	97,028	0.13	3,000	7,464	
Other Services (except Public Administration)	20	1,411,936	1.85	20,992	70,597	
Public Administration	0	0	0.00	0	0	
Total	553	\$76,269,100	100.00	\$23,135	\$137,919	

Table 15: New York State EZ Wage Tax Credit by Size of Entire Net Income - 2002 Liability Year

Credit Earned	Size of Entire Net Income			Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Median Credit Earned	Mean Credit Earned
	Zero or Net Loss			175	\$15,118,556	25.26	\$16,500	\$86,392
\$ 1 - \$ 99,999			141	4,320,960	7.22	10,875	30,645	
100,000 - 499,999			56	2,836,130	4.74	21,750	50,645	
500,000 - 999,999			23	1,007,320	1.68	18,000	43,797	
1,000,000 - 24,999,999			22	5,796,645	9.68	126,750	263,484	
25,000,000 - 49,999,999			10	1,645,415	2.75	121,083	164,542	
50,000,000 - 99,999,999			4	135,300	0.23	39,000	33,825	
100,000,000 - 499,999,999			3	287,805	0.48	d/	95,935	
500,000,000 - and over			4	28,705,500	47.96	2,511,000	7,176,375	
Total			438	\$59,853,631	100.00	\$17,625	\$136,652	

Credit Claimed	Size of Entire Net Income			Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Median Credit Claimed	Mean Credit Claimed
	Zero or Net Loss			251	\$33,178,904	31.45	\$25,028	\$132,187
\$ 1 - \$ 99,999			198	9,827,486	9.31	16,648	49,634	
100,000 - 499,999			70	5,818,965	5.51	44,895	83,128	
500,000 - 999,999			28	2,064,782	1.96	23,438	73,742	
1,000,000 - 24,999,999			28	10,816,600	10.25	147,537	386,307	
25,000,000 - 49,999,999			11	2,656,706	2.52	139,456	241,519	
50,000,000 - 99,999,999			5	349,630	0.33	48,000	69,926	
100,000,000 - 499,999,999			4	432,050	0.41	106,403	108,013	
500,000,000 - and over			4	40,368,823	38.26	8,342,662	10,092,206	
Total			599	\$105,513,946	100.00	\$25,009	\$176,150	

Credit Used	Size of Entire Net Income			Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
	Zero or Net Loss			106	\$1,692,538	6.65	\$835	\$15,967
\$ 1 - \$ 99,999			131	176,692	0.69	1,124	1,349	
100,000 - 499,999			54	339,982	1.34	5,232	6,296	
500,000 - 999,999			21	233,943	0.92	5,728	11,140	
1,000,000 - 24,999,999			19	1,047,381	4.12	36,260	55,125	
25,000,000 - 49,999,999			7	1,150,062	4.52	67,500	164,295	
50,000,000 - 99,999,999			5	187,656	0.74	48,000	37,531	
100,000,000 - 499,999,999			3	371,805	1.46	d/	123,935	
500,000,000 - and over			4	20,248,723	79.57	1,641,783	5,062,181	
Total			350	\$25,448,782	100.00	\$1,906	\$72,711	

Credit Carried Forward	Size of Entire Net Income			Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Median Credit Carried Forward	Mean Credit Carried Forward
	Zero or Net Loss			245	\$28,723,304	37.66	\$21,983	\$117,238
\$ 1 - \$ 99,999			190	9,223,353	12.09	14,903	48,544	
100,000 - 499,999			65	5,363,274	7.03	50,030	82,512	
500,000 - 999,999			18	1,730,744	2.27	65,623	96,152	
1,000,000 - 24,999,999			21	9,477,712	12.43	205,125	451,320	
25,000,000 - 49,999,999			9	1,408,394	1.85	111,731	156,488	
50,000,000 - 99,999,999			d/	d/	d/	d/	d/	
100,000,000 - 499,999,999			d/	d/	d/	d/	d/	
500,000,000 - and over			3	20,120,100	26.38	d/	6,706,700	
Total			553	\$76,269,100	100.00	\$23,135	\$137,919	

Table 16: New York State EZ Wage Tax Credit by Size of Credit Used - 2002 Liability Year

Credit Earned	Size of Credit Used				Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Median Credit Earned	Mean Credit Earned
	\$		-	\$					
	Zero				180	\$11,751,271	19.63	\$16,688	\$65,285
	\$	1	-	\$ 499	44	947,469	1.58	10,688	21,533
		500	-	999	27	706,645	1.18	12,750	26,172
		1,000	-	4,999	104	3,780,790	6.32	7,688	36,354
		5,000	-	9,999	24	1,609,406	2.69	22,875	67,059
		10,000	-	24,999	19	2,389,155	3.99	67,500	125,745
		25,000	-	49,999	11	1,708,800	2.86	105,000	155,345
		50,000	-	99,999	13	3,776,240	6.31	93,375	290,480
		100,000	-	499,999	10	2,932,605	4.90	174,803	293,261
		500,000	-	and over	6	30,251,250	50.54	1,276,500	5,041,875
				Total	438	\$59,853,631	100.00	\$17,625	\$136,652

Credit Claimed	Size of Credit Used				Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Median Credit Claimed	Mean Credit Claimed
	\$		-	\$					
	Zero				249	\$23,233,805	22.02	\$24,000	\$93,308
	\$	1	-	\$ 499	74	2,971,406	2.82	17,103	40,154
		500	-	999	41	1,975,549	1.87	17,701	48,184
		1,000	-	4,999	130	7,337,202	6.95	13,615	56,440
		5,000	-	9,999	35	4,298,876	4.07	46,500	122,825
		10,000	-	24,999	27	7,268,563	6.89	154,823	269,206
		25,000	-	49,999	13	3,664,366	3.47	139,456	281,874
		50,000	-	99,999	14	8,000,754	7.58	131,791	571,482
		100,000	-	499,999	10	4,465,713	4.23	219,861	446,571
		500,000	-	and over	6	42,297,712	40.09	1,276,500	7,049,619
				Total	599	\$105,513,946	100.00	\$25,009	\$176,150

Table 16: New York State EZ Wage Tax Credit by Size of Credit Used - 2002 Liability Year (Cont'd)

Credit Used	Size of Credit Used			Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
	\$		\$					
	Zero			0	\$0	0.00	\$0	\$0
	\$	1 -	\$ 499	74	18,917	0.07	250	256
		500 -	999	41	29,729	0.12	735	725
		1,000 -	4,999	130	301,671	1.19	1,989	2,321
		5,000 -	9,999	35	242,246	0.95	7,024	6,921
		10,000 -	24,999	27	452,628	1.78	17,146	16,764
		25,000 -	49,999	13	473,004	1.86	34,100	36,385
		50,000 -	99,999	14	931,596	3.66	64,320	66,543
		100,000 -	499,999	10	1,495,532	5.88	147,003	149,553
		500,000 -	and over	6	21,503,459	84.50	1,224,884	3,583,910
			Total	350	\$25,448,782	100.00	\$1,906	\$72,711

Credit Carried Forward	Size of Credit Used			Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Median Credit Carried Forward	Mean Credit Carried Forward
	\$		\$					
	Zero			249	\$20,899,885	27.40	\$19,517	\$83,935
	\$	1 -	\$ 499	72	2,839,651	3.72	15,571	39,440
		500 -	999	38	1,913,169	2.51	17,621	50,347
		1,000 -	4,999	109	6,281,941	8.24	16,934	57,632
		5,000 -	9,999	32	4,034,514	5.29	43,738	126,079
		10,000 -	24,999	23	6,706,268	8.79	192,958	291,577
		25,000 -	49,999	9	2,970,831	3.90	220,533	330,092
		50,000 -	99,999	9	7,069,157	9.27	429,041	785,462
		100,000 -	499,999	7	2,759,431	3.62	90,774	394,204
		500,000 -	and over	5	20,794,253	27.26	454,089	4,158,851
			Total	553	\$76,269,100	100.00	\$23,135	\$137,919

Table 17: New York State ZEA Wage Tax Credit by Basis of Taxation - 2002 Liability Year

Credit Earned	Basis of Taxation	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Median Credit Earned	Mean Credit Earned
	Entire Net Income	31	\$10,935,909	36.60	\$216,000	\$352,771
Fixed Dollar Minimum Tax	18	4,886,048	16.35	56,250	271,447	
Capital Base	24	7,059,332	23.62	121,458	294,139	
Alternative Minimum Tax	6	7,000,918	23.43	186,000	1,166,820	
Total	79	\$29,882,207	100.00	\$134,070	\$378,256	

Credit Claimed	Basis of Taxation	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Median Credit Claimed	Mean Credit Claimed
	Entire Net Income	36	\$12,154,823	25.36	\$167,219	\$337,634
Fixed Dollar Minimum Tax	31	9,241,328	19.28	67,887	298,107	
Capital Base	29	14,025,480	29.27	103,875	483,637	
Alternative Minimum Tax	6	12,501,094	26.09	186,000	2,083,516	
Total	102	\$47,922,725	100.00	\$131,385	\$469,831	

Credit Used	Basis of Taxation	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
	Entire Net Income	31	\$7,590,760	81.74	\$84,911	\$244,863
Fixed Dollar Minimum Tax	14	395,970	4.26	823	28,284	
Capital Base	25	930,986	10.03	11,901	37,239	
Alternative Minimum Tax	3	368,948	3.97	d/	122,983	
Total	73	\$9,286,664	100.00	\$27,788	\$127,215	

Credit Carried Forward	Basis of Taxation	Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Median Credit Carried Forward	Mean Credit Carried Forward
	Entire Net Income	18	\$4,457,187	11.59	\$148,656	\$247,622
Fixed Dollar Minimum Tax	31	8,790,430	22.86	67,887	283,562	
Capital Base	24	13,081,978	34.01	212,095	545,082	
Alternative Minimum Tax	5	12,132,146	31.54	66,000	2,426,429	
Total	78	\$38,461,741	100.00	\$94,779	\$493,099	

Table 18: New York State EZ/ZEA Wage Tax Credit by Empire Zone* - 2002 Liability Year

Empire Zone	Amount of Credit Earned	Amount of Credit Claimed	Amount of Credit Used	Amount of Credit Refunded	Amount of Credit Carried Forward
Albany (City)	\$121,875	\$276,546	\$23,881	\$8,250	\$244,415
Albany County	519,375	1,112,040	19,638	167,625	924,777
Amsterdam	d/	d/	d/	d/	d/
Auburn	619,875	1,542,140	140,266	210,750	1,191,123
Brookhaven	d/	d/	d/	d/	d/
Broome County	3,012,000	6,817,228	434,540	2,250	6,380,437
Buffalo	2,307,184	5,262,118	180,818	262,502	4,818,798
Buffalo**	d/	d/	d/	d/	d/
Cattaraugus County	d/	d/	d/	d/	d/
Clinton County	d/	d/	d/	d/	d/
Cortland County	d/	d/	d/	d/	d/
Dunkirk/Sheridan	d/	d/	d/	d/	d/
Dutchess County	24,011,625	25,443,656	16,037,805	585,563	8,820,288
East Harlem	22,149,778	33,552,621	6,269,186	36,570	27,246,864
East New York	828,750	1,878,955	35,427	29,625	1,813,901
Elmira	893,955	1,798,779	144,170	292,771	1,361,838
Essex County/Moriah-Port Henry	d/	d/	d/	d/	d/
Franklin County	d/	d/	d/	d/	d/
Friendship	d/	d/	d/	d/	d/
Fulton	d/	d/	d/	d/	d/
Genesee County	d/	d/	d/	d/	d/
Geneva	d/	d/	d/	d/	d/
Gloversville	d/	d/	d/	d/	d/
Greater Jamestown	285,000	2,033,216	57,891	41,250	1,934,075
Hornell	d/	d/	d/	d/	d/
Hunts Point	145,125	726,384	17,493	1,875	707,016
Islip	d/	d/	d/	d/	d/
Kingston	321,750	1,606,797	48,276	3,000	1,555,521
Lackawanna	d/	d/	d/	d/	d/
Lewis County	d/	d/	d/	d/	d/
Monroe County	d/	d/	d/	d/	d/
Mount Vernon	d/	d/	d/	d/	d/
Niagara Falls	d/	d/	d/	d/	d/

Table 18: New York State EZ/ZEA Wage Tax Credit by Empire Zone* - 2002 Liability Year (Cont'd)

Empire Zone	Amount of Credit Earned	Amount of Credit Claimed	Amount of Credit Used	Amount of Credit Refunded	Amount of Credit Carried Forward
North Brooklyn Navy Yard	2,741,625	3,440,320	355,950	15,000	3,069,369
Norwich	705,375	1,109,535	9,728	341,625	758,182
Ogdensburg	d/	d/	d/	d/	d/
Oneida/Herkimer Counties	d/	d/	d/	d/	d/
Onondaga County	886,875	994,206	111,777	0	882,429
Orange County	d/	d/	d/	d/	d/
Oswego	d/	d/	d/	d/	d/
Plattsburgh	155,625	2,080,651	18,430	50,497	2,011,724
Port Morris	d/	d/	d/	d/	d/
Potsdam	d/	d/	d/	d/	d/
Rochester	1,285,870	3,731,283	89,339	363,082	3,278,861
Rome	d/	d/	d/	d/	d/
Saratoga County	d/	d/	d/	d/	d/
Schenectady	741,000	1,194,950	105,000	27,363	1,062,587
Schuyler County	d/	d/	d/	d/	d/
Seneca County	d/	d/	d/	d/	d/
South Jamaica	d/	d/	d/	d/	d/
Southwest Brooklyn	843,750	1,827,267	123,034	13,125	1,691,108
Staten Island - North Shore	d/	d/	d/	d/	d/
Staten Island - West Shore	d/	d/	d/	d/	d/
Suffolk County	d/	d/	d/	d/	d/
Sullivan County	507,750	509,212	49,911	226,648	232,654
Syracuse	603,265	1,116,924	38,309	54,912	1,023,702
Tioga County	d/	d/	d/	d/	d/
Tonawanda	d/	d/	d/	d/	d/
Triple Cities	d/	d/	d/	d/	d/
Troy	d/	d/	d/	d/	d/
Utica	1,246,125	1,599,150	130,160	7,125	1,461,863
Warren County	d/	d/	d/	d/	d/
Watertown	d/	d/	d/	d/	d/
Wayne County	d/	d/	d/	d/	d/
Yonkers	198,375	816,099	9,478	14,062	792,558
Multiple Zones	11,834,133	18,656,027	6,039,801	309,938	12,306,289
Unidentified	2,683,455	3,994,985	1,274,360	58,414	2,662,212
Total	\$89,735,838	\$153,436,671	\$34,735,446	\$3,970,375	\$114,730,841

*Due to disclosure requirements, data is displayed only for zones with more than seven taxpayers as of the 2002 studyfile

**Buffalo received a second EZ in the 5th round of zone designations.

Table 19: New York State EZ Capital Tax Credit by Basis of Taxation - 2002 Liability Year

	Basis of Taxation	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Median Credit Earned	Mean Credit Earned
Credit Earned	Entire Net Income	22	\$25,630	10.79	\$513	\$1,165
	Fixed Dollar Minimum Tax	5	126,084	53.09	3,750	25,217
	Capital Base	10	76,772	32.32	500	7,677
	Alternative Minimum Tax	4	9,021	3.80	2,313	2,255
	Total	41	\$237,507	100.00	\$525	\$5,793

	Basis of Taxation	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Median Credit Claimed	Mean Credit Claimed
Credit Claimed	Entire Net Income	23	\$26,130	7.05	\$500	\$1,136
	Fixed Dollar Minimum Tax	14	186,934	50.44	2,109	13,352
	Capital Base	11	130,164	35.12	500	11,833
	Alternative Minimum Tax	6	27,396	7.39	3,813	4,566
	Total	54	\$370,624	100.00	\$1,000	\$6,863

	Basis of Taxation	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
Credit Used	Entire Net Income	22	\$23,630	33.21	\$500	\$1,074
	Fixed Dollar Minimum Tax	3	7,123	10.01	d/	2,374
	Capital Base	10	35,642	50.09	439	3,564
	Alternative Minimum Tax	3	4,755	6.68	d/	1,585
	Total	38	\$71,150	100.00	\$486	\$1,872

	Basis of Taxation	Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Median Credit Carried Forward	Mean Credit Carried Forward
Credit Carried Forward	Entire Net Income	d/	d/	d/	d/	d/
	Fixed Dollar Minimum Tax	13	\$179,811	60.04	\$2,217	\$13,832
	Capital Base	3	94,522	31.56	d/	31,507
	Alternative Minimum Tax	d/	d/	d/	d/	d/
	Total	21	\$299,474	100.00	\$3,750	\$14,261

Table 20: New York State EZ Investment Tax Credit by Basis of Taxation - 2002 Liability Year

Credit Earned	Basis of Taxation	Number of	Amount of	% of Credit	Median Credit	Mean Credit
		Taxpayers	Credit Earned	Earned	Earned	Earned
	Entire Net Income	46	\$6,973,822	3.67	\$12,868	\$151,605
	Fixed Dollar Minimum Tax	218	173,130,326	91.20	17,497	794,176
	Capital Base	15	3,749,462	1.98	35,647	249,964
	Alternative Minimum Tax	86	5,989,453	3.15	13,162	69,645
	Total	365	\$189,843,063	100.00	\$16,316	\$520,118

Credit Claimed	Basis of Taxation	Number of	Amount of	% of Credit	Median Credit	Mean Credit
		Taxpayers	Credit Claimed	Claimed	Claimed	Claimed
	Entire Net Income	56	\$13,283,038	3.01	\$17,090	\$237,197
	Fixed Dollar Minimum Tax	272	355,080,771	80.51	81,743	1,305,444
	Capital Base	20	29,649,584	6.72	71,459	1,482,479
	Alternative Minimum Tax	99	43,043,307	9.76	30,801	434,781
	Total	447	\$441,056,700	100.00	\$53,364	\$986,704

Credit Used	Basis of Taxation	Number of	Amount of	% of Credit	Median Credit	Mean Credit
		Taxpayers	Credit Used	Used	Used	Used
	Entire Net Income	39	\$1,283,709	6.82	\$4,649	\$32,916
	Fixed Dollar Minimum Tax	132	13,832,421	73.46	3,520	104,791
	Capital Base	7	122,324	0.65	5,056	17,475
	Alternative Minimum Tax	72	3,591,505	19.07	3,128	49,882
	Total	250	\$18,829,959	100.00	\$3,475	\$75,320

Credit Carried Forward	Basis of Taxation	Number of	Amount of	% of Credit	Median Credit	Mean Credit
		Taxpayers	Credit Carried Forward	Carried Forward	Carried Forward	Carried Forward
	Entire Net Income	32	\$11,366,352	2.72	\$33,189	\$355,199
	Fixed Dollar Minimum Tax	271	338,195,418	80.95	77,327	1,247,954
	Capital Base	17	29,107,817	6.97	74,522	1,712,225
	Alternative Minimum Tax	91	39,118,435	9.36	25,521	429,873
	Total	411	\$417,788,022	100.00	\$56,002	\$1,016,516

Table 21: New York State EZ Investment Tax Credit by Size of Entire Net Income - 2002 Liability Year

Credit Earned	Size of Entire Net Income		Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Median Credit Earned	Mean Credit Earned
	Zero or Net Loss		159	\$25,058,375	13.20	\$17,374	\$157,600
	\$ 1	- \$ 99,999	77	1,007,462	0.53	8,723	13,084
	100,000	- 499,999	57	2,021,810	1.07	11,950	35,470
	500,000	- 999,999	22	1,952,019	1.03	14,028	88,728
	1,000,000	- 24,999,999	33	5,947,395	3.13	101,549	180,224
	25,000,000	- 49,999,999	8	8,964,884	4.72	389,532	1,120,611
	50,000,000	- 99,999,999	d/	d/	d/	d/	d/
	100,000,000	- 499,999,999	d/	d/	d/	d/	d/
	500,000,000	- and over	3	143,731,711	75.71	d/	47,910,570
	Total		365	\$189,843,063	100.00	\$16,316	\$520,118

Credit Claimed	Size of Entire Net Income		Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Median Credit Claimed	Mean Credit Claimed
	Zero or Net Loss		205	\$152,266,247	34.52	\$77,465	\$742,762
	\$ 1	- \$ 99,999	101	6,636,318	1.50	18,374	65,706
	100,000	- 499,999	67	8,137,818	1.85	31,490	121,460
	500,000	- 999,999	23	4,042,488	0.92	24,718	175,760
	1,000,000	- 24,999,999	33	22,675,787	5.14	310,418	687,145
	25,000,000	- 49,999,999	9	45,280,109	10.27	542,914	5,031,123
	50,000,000	- 99,999,999	d/	d/	d/	d/	d/
	100,000,000	- 499,999,999	d/	d/	d/	d/	d/
	500,000,000	- and over	3	191,441,118	43.41	d/	63,813,706
	Total		447	\$441,056,700	100.00	\$53,364	\$986,704

Table 21: New York State EZ Investment Tax Credit by Size of Entire Net Income - 2002 Liability Year (Cont'd)

Credit Used	Size of Entire Net Income		Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
	Zero or Net Loss		78	\$967,182	5.14	\$2,252	\$12,400
	\$ 1	- \$ 99,999	63	86,172	0.46	895	1,368
	100,000	- 499,999	50	322,361	1.71	4,714	6,447
	500,000	- 999,999	16	161,762	0.86	6,229	10,110
	1,000,000	- 24,999,999	27	1,754,269	9.32	44,025	64,973
	25,000,000	- 49,999,999	8	1,140,049	6.05	125,847	142,506
	50,000,000	- 99,999,999	d/	d/	d/	d/	d/
	100,000,000	- 499,999,999	d/	d/	d/	d/	d/
	500,000,000	- and over	3	14,180,024	75.31	d/	4,726,675
	Total		250	\$18,829,959	100.00	\$3,475	\$75,320
Credit Carried Forward	Size of Entire Net Income		Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Median Credit Carried Forward	Mean Credit Carried Forward
	Zero or Net Loss		201	\$148,148,749	35.46	\$77,327	\$737,058
	\$ 1	- \$ 99,999	95	6,546,079	1.57	19,141	68,906
	100,000	- 499,999	59	7,613,283	1.82	31,490	129,039
	500,000	- 999,999	17	3,549,313	0.85	76,934	208,783
	1,000,000	- 24,999,999	25	20,170,769	4.83	550,509	806,831
	25,000,000	- 49,999,999	9	44,140,060	10.57	504,497	4,904,451
	50,000,000	- 99,999,999	d/	d/	d/	d/	d/
	100,000,000	- 499,999,999	d/	d/	d/	d/	d/
	500,000,000	- and over	d/	d/	d/	d/	d/
	Total		411	\$417,788,022	100.00	\$56,002	\$1,016,516

Table 22: New York State EZ Investment Tax Credit by Size of Credit Used - 2002 Liability Year

Credit Earned	Size of Credit Used				Number of	Amount of	% of Credit	Median Credit	Mean Credit
					Taxpayers	Credit Earned	Earned	Earned	Earned
	Zero				144	\$14,437,970	7.61	\$12,007	\$100,264
	\$ 1	-	\$ 499		40	1,201,348	0.63	6,983	30,034
	500	-	999		d/	d/	d/	d/	d/
	1,000	-	4,999		64	3,770,125	1.99	11,480	58,908
	5,000	-	9,999		25	5,330,411	2.81	13,343	213,216
	10,000	-	24,999		28	3,405,346	1.79	54,368	121,620
	25,000	-	49,999		18	2,595,156	1.37	72,185	144,175
	50,000	-	99,999		13	5,471,776	2.88	78,921	420,906
	100,000	-	499,999		11	13,292,997	7.00	271,753	1,208,454
	500,000	-	and over		d/	d/	d/	d/	d/
	Total				365	\$189,843,063	100.00	\$16,316	\$520,118

Credit Claimed	Size of Credit Used				Number of	Amount of	% of Credit	Median Credit	Mean Credit
					Taxpayers	Credit Claimed	Claimed	Claimed	Claimed
	Zero				197	\$86,689,967	19.66	\$47,025	\$440,051
	\$ 1	-	\$ 499		47	4,582,659	1.04	21,869	97,503
	500	-	999		d/	d/	d/	d/	d/
	1,000	-	4,999		70	9,006,592	2.04	29,936	128,666
	5,000	-	9,999		31	30,847,216	6.99	103,664	995,071
	10,000	-	24,999		29	18,042,375	4.09	175,864	622,151
	25,000	-	49,999		19	11,163,444	2.53	340,080	587,550
	50,000	-	99,999		13	31,207,765	7.08	2,156,075	2,400,597
	100,000	-	499,999		12	64,422,173	14.61	1,189,150	5,368,514
	500,000	-	and over		d/	d/	d/	d/	d/
	Total				447	\$441,056,700	100.00	\$53,364	\$986,704

Table 22: New York State EZ Investment Tax Credit by Size of Credit Used - 2002 Liability Year (Cont'd)

Credit Used	Size of Credit Used			Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
	Zero			0	\$0	0.00	\$0	\$0
	\$ 1	-	\$ 499	d/	d/	d/	d/	d/
	500	-	999	27	18,786	0.10	663	696
	1,000	-	4,999	70	183,898	0.98	2,548	2,627
	5,000	-	9,999	31	220,305	1.17	6,991	7,107
	10,000	-	24,999	29	451,998	2.40	16,189	15,586
	25,000	-	49,999	19	666,897	3.54	31,388	35,100
	50,000	-	99,999	13	868,943	4.61	54,233	66,842
	100,000	-	499,999	12	2,607,373	13.85	205,255	217,281
	500,000	-	and over	d/	d/	d/	d/	d/
	Total			250	\$18,829,959	100.00	\$3,475	\$75,320

Credit Carried Forward	Size of Credit Used			Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Median Credit Carried Forward	Mean Credit Carried Forward
	Zero			196	\$83,950,903	20.09	\$45,685	\$428,321
	\$ 1	-	\$ 499	43	4,275,855	1.02	30,505	99,438
	500	-	999	d/	d/	d/	d/	d/
	1,000	-	4,999	64	7,672,105	1.84	33,074	119,877
	5,000	-	9,999	26	30,626,911	7.33	104,740	1,177,958
	10,000	-	24,999	26	17,501,791	4.19	213,260	673,146
	25,000	-	49,999	16	10,496,547	2.51	318,754	656,034
	50,000	-	99,999	10	30,185,337	7.23	2,762,634	3,018,534
	100,000	-	499,999	9	61,814,800	14.80	2,282,675	6,868,311
	500,000	-	and over	d/	d/	d/	d/	d/
	Total			411	\$417,788,022	100.00	\$56,002	\$1,016,516

Table 23: New York State EZ Investment Tax Credit by Empire Zone* - 2002 Liability Year

Empire Zone	Amount of Credit Earned	Amount of Credit Claimed	Amount of Credit Used	Amount of Credit Refunded	Amount of Credit Carried Forward
Albany (City)	\$390,886	\$3,669,179	\$44,619	\$0	\$3,624,560
Albany County	d/	d/	d/	d/	d/
Amsterdam	368,411	2,180,654	65,589	2,802	2,112,263
Auburn	2,732,194	12,641,738	215,814	153,485	12,272,439
Brookhaven	d/	d/	d/	d/	d/
Broome County	\$1,423,428	\$5,810,293	\$72,441	\$0	\$5,737,852
Buffalo	7,611,369	31,699,730	339,354	487,263	30,873,113
Cattaraugus County	d/	d/	d/	d/	d/
Clinton County	d/	d/	d/	d/	d/
Cortland County	d/	d/	d/	d/	d/
Dunkirk/Sheridan	2,530,410	4,019,195	39,687	868,232	3,111,276
Dutchess County	d/	d/	d/	d/	d/
East Harlem	d/	d/	d/	d/	d/
East New York	d/	d/	d/	d/	d/
Elmira	4,514,775	24,522,506	576,176	470,290	23,476,042
Essex County/Moriah-Port Henry	d/	d/	d/	d/	d/
Friendship	d/	d/	d/	d/	d/
Fulton	d/	d/	d/	d/	d/
Genesee County	d/	d/	d/	d/	d/
Geneva	d/	d/	d/	d/	d/
Gloversville	d/	d/	d/	d/	d/
Greater Jamestown	702,102	9,868,035	115,151	7,197	9,745,687
Hunts Point	d/	d/	d/	d/	d/
Islip	d/	d/	d/	d/	d/
Kingston	726,240	1,501,815	124,499	0	1,377,316
Lackawanna	d/	d/	d/	d/	d/
Lewis County	d/	d/	d/	d/	d/
Monroe County	d/	d/	d/	d/	d/
Niagara Falls	d/	d/	d/	d/	d/
North Brooklyn Navy Yard	841,303	2,181,361	175,924	0	2,005,437
Norwich	d/	d/	d/	d/	d/

Table 23: New York State EZ Investment Tax Credit by Empire Zone* - 2002 Liability Year (Cont'd)

Empire Zone	Amount of Credit Earned	Amount of Credit Claimed	Amount of Credit Used	Amount of Credit Refunded	Amount of Credit Carried Forward
Ogdensburg	d/	d/	d/	d/	d/
Oneida/Herkimer Counties	562,587	4,320,054	85,877	0	4,234,177
Onondaga County	d/	d/	d/	d/	d/
Orange County	d/	d/	d/	d/	d/
Orleans County	d/	d/	d/	d/	d/
Oswego	d/	d/	d/	d/	d/
Plattsburgh	939,054	9,332,602	459,120	35,407	8,838,075
Port Morris	d/	d/	d/	d/	d/
Potsdam	d/	d/	d/	d/	d/
Rochester	989,565	4,425,273	63,514	179,583	4,182,176
Rome	218,256	3,010,088	128,668	0	2,881,420
Saratoga County	d/	d/	d/	d/	d/
Schenectady	429,431	2,192,872	200,565	5,368	1,986,939
Schuyler County	d/	d/	d/	d/	d/
Seneca County	d/	d/	d/	d/	d/
South Jamaica	d/	d/	d/	d/	d/
Southwest Brooklyn	400,587	1,124,840	123,502	0	1,001,338
Staten Island - North Shore	d/	d/	d/	d/	d/
Syracuse	d/	d/	d/	d/	d/
Tioga County	d/	d/	d/	d/	d/
Tonawanda	d/	d/	d/	d/	d/
Triple Cities	d/	d/	d/	d/	d/
Troy	d/	d/	d/	d/	d/
Utica	714,812	3,762,194	106,902	7,501	3,647,791
Warren County	d/	d/	d/	d/	d/
Washington County	d/	d/	d/	d/	d/
Watertown	1,227,888	4,319,363	69,320	461,795	3,788,248
Yonkers	d/	d/	d/	d/	d/
Multiple Zones	d/	d/	d/	d/	d/
Unidentified	1,555,656	23,089,969	349,837	0	22,740,132
Total	\$189,843,063	\$441,056,700	\$18,829,959	\$4,438,718	\$417,788,022

*Due to disclosure requirements, data is displayed only for zones with more than seven taxpayers as of the 2002 studyfile

Table 24: New York State QEZE Credit for Real Property Taxes* by Basis of Taxation - 2002 Liability Year

Credit Earned	Basis of Taxation	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Median Credit Earned	Mean Credit Earned
	Entire Net Income	41	\$5,746,640	16.06	\$9,162	\$140,162
Fixed Dollar Minimum Tax	96	27,069,826	75.64	15,416	281,977	
Capital Base	7	1,607,025	4.49	4,337	229,575	
Alternative Minimum Tax	35	1,363,446	3.81	12,242	38,956	
Total	179	\$35,786,937	100.00	\$13,614	\$199,927	

Credit Used	Basis of Taxation	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
	Entire Net Income	17	\$677,847	79.75	\$2,417	\$39,873
Fixed Dollar Minimum Tax	18	100,852	11.87	759	5,603	
Capital Base	d/	d/	d/	d/	d/	
Alternative Minimum Tax	d/	d/	d/	d/	d/	
Total	50	\$849,999	100.00	\$1,152	\$17,000	

* The provisions of this credit do not allow a carryforward of excess credit. Therefore, credit earned is the same as credit claimed.

Table 25: New York State QEZE Credit for Real Property Taxes for Corporate Partners* by Basis of Taxation - 2002 Liability Year

Credit Earned	Basis of Taxation	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Median Credit Earned	Mean Credit Earned
	Entire Net Income	d/	d/	d/	d/	d/
Fixed Dollar Minimum Tax	14	\$3,120,836	13.90	\$20,402	\$222,917	
Capital Base	d/	d/	d/	d/	d/	
Alternative Minimum Tax	7	1,010,363	4.50	18,929	144,338	
Total	25	\$22,459,690	100.00	\$15,000	\$898,388	

Credit Used	Basis of Taxation	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
	Entire Net Income	3	\$16,690	37.76	d/	\$5,563
Fixed Dollar Minimum Tax	3	9,826	22.23	d/	3,275	
Capital Base	0	0	0.00	0	0	
Alternative Minimum Tax	4	17,687	40.01	3,037	4,422	
Total	10	\$44,203	100.00	\$3,338	\$4,420	

* The provisions of this credit do not allow a carryforward of excess credit. Therefore, credit earned is the same as credit claimed.

Table 26: New York State QEZE Tax Reduction Credit* by Basis of Taxation - 2002 Liability Year

Credit Earned	Basis of Taxation	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Median Credit Earned	Mean Credit Earned
	Entire Net Income	70	\$3,544,599	65.45	\$4,304	\$50,637
Fixed Dollar Minimum Tax	55	1,310,318	24.19	927	23,824	
Capital Base	12	8,884	0.16	207	740	
Alternative Minimum Tax	44	551,953	10.19	1,045	12,544	
Total	181	\$5,415,754	100.00	\$1,939	\$29,921	

Credit Used	Basis of Taxation	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
	Entire Net Income	69	\$3,494,520	65.95	\$3,779	\$50,645
Fixed Dollar Minimum Tax	43	1,245,427	23.50	1,765	28,963	
Capital Base	12	8,884	0.17	207	740	
Alternative Minimum Tax	41	549,913	10.38	1,272	13,413	
Total	165	\$5,298,744	100.00	\$2,064	\$32,114	

* The provisions of this credit do not allow a carryforward of excess credit. Therefore, credit earned is the same as credit claimed.

Table 27: New York State QEZE Tax Reduction Credit for Corporate Partners* by Basis of Taxation - 2002 Liability Year

Credit Earned	Basis of Taxation	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Median Credit Earned	Mean Credit Earned
	Entire Net Income	3	\$13,856	36.06	\$5,652	\$4,619
Fixed Dollar Minimum Tax	d/	d/	d/	d/	d/	
Capital Base	d/	d/	d/	d/	d/	
Alternative Minimum Tax	4	23,236	60.47	447	5,809	
Total	9	\$38,425	100.00	\$1,167	\$4,269	

Credit Used	Basis of Taxation	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
	Entire Net Income	3	\$12,431	33.87	d/	\$4,144
Fixed Dollar Minimum Tax	d/	d/	d/	d/	d/	
Capital Base	d/	d/	d/	d/	d/	
Alternative Minimum Tax	4	23,107	62.95	447	5,777	
Total	8	\$36,705	100.00	\$1,311	\$4,588	

* The provisions of this credit do not allow a carryforward of excess credit. Therefore, credit earned is the same as credit claimed.

Table 28: New York State QEZE Credits¹ by Empire Zone² - 2002 Liability Year³

Empire Zone	Credit for Real Property Taxes			Tax Reduction Credit	
	Amount of Credit Earned	Amount of Credit Used	Amount of Credit Refunded ⁴	Amount of Credit Earned	Amount of Credit Used
Albany (City)	d/	d/	d/	d/	d/
Amsterdam	d/	d/	d/	d/	d/
Auburn	d/	d/	d/	d/	d/
Broome County	d/	d/	d/	d/	d/
Buffalo	\$2,046,822	\$20,447	\$2,026,375	\$433,673	\$431,302
Buffalo ⁵	d/	d/	d/	d/	d/
Cattaraugus County	d/	d/	d/	d/	d/
Cortland County	d/	d/	d/	d/	d/
Dunkirk/Sheridan	d/	d/	d/	d/	d/
Dutchess County	d/	d/	d/	d/	d/
East Harlem	d/	d/	d/	d/	d/
East New York	d/	d/	d/	d/	d/
Elmira	804,700	5,441	799,260	d/	d/
Essex County/Moriah-Port Henry	d/	d/	d/	d/	d/
Far Rockaway	d/	d/	d/	d/	d/
Friendship	d/	d/	d/	d/	d/
Fulton	d/	d/	d/	d/	d/
Geneva	d/	d/	d/	d/	d/
Gloversville	d/	d/	d/	d/	d/
Greater Jamestown	d/	d/	d/	d/	d/
Hornell	d/	d/	d/	d/	d/
Hunts Point	d/	d/	d/	d/	d/
Kingston	d/	d/	d/	d/	d/
Lackawanna	d/	d/	d/	d/	d/
Lewis County	d/	d/	d/	d/	d/
Mount Vernon	d/	d/	d/	d/	d/
Niagara Falls	d/	d/	d/	d/	d/
North Brooklyn Navy Yard	d/	d/	d/	d/	d/
Norwich	d/	d/	d/	d/	d/

Table 28: New York State QEZE Credits¹ by Empire Zone² - 2002 Liability Year³ (Cont'd)

Empire Zone	Credit for Real Property Taxes			Tax Reduction Credit	
	Amount of Credit Earned	Amount of Credit Used	Amount of Credit Refunded ⁴	Amount of Credit Earned	Amount of Credit Used
Ogdensburg	d/	d/	d/	d/	d/
Oneida/Herkimer Counties	d/	d/	d/	d/	d/
Onondaga County	d/	d/	d/	d/	d/
Orange County	d/	d/	d/	d/	d/
Orleans County	d/	d/	d/	d/	d/
Oswego	d/	d/	d/	d/	d/
Plattsburgh	d/	d/	d/	d/	d/
Potsdam	d/	d/	d/	d/	d/
Rochester	d/	d/	d/	d/	d/
Rome	d/	d/	d/	d/	d/
Saratoga County	d/	d/	d/	d/	d/
Schenectady	d/	d/	d/	d/	d/
Seneca County	d/	d/	d/	d/	d/
South Jamaica	d/	d/	d/	d/	d/
Southwest Brooklyn	d/	d/	d/	120,801	71,371
Staten Island - North Shore	d/	d/	d/	d/	d/
Sullivan County	d/	d/	d/	d/	d/
Syracuse	744,431	5,092	739,339	95,271	94,969
Tioga County	d/	d/	d/	d/	d/
Tonawanda	d/	d/	d/	d/	d/
Triple Cities	d/	d/	d/	d/	d/
Troy	d/	d/	d/	d/	d/
Utica	103,187	2,497	100,690	30,188	22,314
Warren County	d/	d/	d/	d/	d/
Washington County	d/	d/	d/	d/	d/
Watertown	529,934	11,392	518,542	d/	d/
Wayne County	d/	d/	d/	d/	d/
Yonkers	d/	d/	d/	d/	d/
Multiple Zones	24,942,110	652,625	24,289,485	1,533,134	1,532,709
Unidentified	d/	d/	d/	d/	d/
Total	\$58,246,627	\$894,202	\$57,352,019	\$5,454,179	\$5,335,449

¹ The provisions of these credits do not allow a carryforward of excess credit. Therefore, credit earned is the same as credit claimed.

² Due to disclosure requirements, data is displayed only for zones with more than seven taxpayers as of the 2002 studyfile

³ Includes data from corporate partner filers.

⁴ Credit refunded includes amounts eligible for refund, but instead claimed as an overpayment applied against next year's tax liability the discretion of the taxpayer.

⁵ Buffalo received a second EZ in the 5th round of zone designations.

Table 29: New York State Alternative Minimum Tax Credit by Major Industry Group - 2002 Liability Year

Credit Earned	Major Industry Group	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Median Credit Earned	Mean Credit Earned
		Agriculture, Forestry, Fishing & Hunting	14	\$10,433	0.28	\$93
	Mining	7	4,634	0.12	349	662
	Utilities	5	5,272	0.14	761	1,054
	Construction	238	201,341	5.38	201	846
	Manufacturing	159	374,762	10.01	998	7,150
	Wholesale Trade	241	463,290	12.38	252	1,922
	Retail Trade	228	101,417	2.71	244	952
	Transportation & Warehousing	86	54,767	1.46	400	1,266
	Information	85	157,921	4.22	332	1,858
	Finance and Insurance	99	184,886	4.94	271	1,868
	Real Estate, Rental, & Leasing	403	\$615,883	16.46	\$214	\$1,528
	Professional, Scientific, & Technical Services	252	366,699	9.80	181	1,455
	Management of Companies & Enterprises	40	870,146	23.25	391	21,754
	Administrative & Support & Waste Management & Remediation Services	69	25,868	0.69	170	375
	Educational Services	10	4,504	0.12	136	450
	Health Care & Social Assistance	141	164,680	4.40	226	1,168
	Arts, Entertainment, & Recreation	41	58,824	1.57	119	1,435
	Accommodation & Food Services	94	42,512	1.14	170	452
	Other Services (except Public Administration)	102	34,676	0.93	109	340
	Public Administration	0	0	0.00	0	0
	Total	2,314	\$3,742,515	100.00	\$209	\$1,617

Credit Claimed	Major Industry Group	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Median Credit Claimed	Mean Credit Claimed
		Agriculture, Forestry, Fishing & Hunting	43	\$86,317	0.22	\$605
	Mining	6	20,220	0.05	1,570	3,370
	Utilities	3	7,968	0.02	d/	2,656
	Construction	322	778,121	2.00	529	2,417
	Manufacturing	317	3,951,028	10.16	2,811	31,520
	Wholesale Trade	274	406,482	1.05	369	1,484
	Retail Trade	292	1,042,892	2.68	533	5,848
	Transportation & Warehousing	97	367,113	0.94	925	4,633
	Information	70	740,004	1.90	523	10,571
	Finance and Insurance	106	14,927,554	38.39	508	140,826
	Real Estate, Rental, & Leasing	470	\$966,357	2.49	\$342	\$2,056
	Professional, Scientific, & Technical Services	279	14,444,412	37.15	275	51,772
	Management of Companies & Enterprises	36	564,856	1.45	476	15,690
	Administrative & Support & Waste Management & Remediation Services	67	143,468	0.37	254	2,141
	Educational Services	3	1,526	0.00	d/	509
	Health Care & Social Assistance	228	234,782	0.60	267	1,030
	Arts, Entertainment, & Recreation	65	46,862	0.12	332	721
	Accommodation & Food Services	122	95,532	0.25	256	783
	Other Services (except Public Administration)	124	54,996	0.14	180	444
	Public Administration	0	0	0.00	0	0
	Total	2,924	\$38,880,490	100.00	\$359	\$13,297

Table 29: New York State Alternative Minimum Tax Credit by Major Industry Group - 2002 Liability Year (Cont'd)

Credit Used	Major Industry Group	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
	Agriculture, Forestry, Fishing & Hunting	4	\$1,546	0.26	\$121	\$387
	Mining	d/	d/	d/	d/	d/
	Utilities	0	0	0.00	0	0
	Construction	74	138,595	23.72	364	1,873
	Manufacturing	35	245,729	42.06	2,653	15,083
	Wholesale Trade	41	17,237	2.95	129	420
	Retail Trade	49	38,777	6.64	425	1,397
	Transportation & Warehousing	11	4,815	0.82	309	438
	Information	6	1,549	0.27	134	258
	Finance and Insurance	23	27,600	4.72	222	1,200
	Real Estate, Rental, & Leasing	78	\$46,198	7.91	\$192	\$592
	Professional, Scientific, & Technical Services	48	\$22,572	3.86	112	\$470
	Management of Companies & Enterprises	6	2,840	0.49	81	473
	Administrative & Support & Waste Management & Remediation Services	14	2,792	0.48	179	199
	Educational Services	d/	d/	d/	d/	d/
	Health Care & Social Assistance	34	16,534	2.83	162	486
	Arts, Entertainment, & Recreation	10	4,771	0.82	232	477
	Accommodation & Food Services	25	6,403	1.10	139	256
	Other Services (except Public Administration)	24	4,099	0.70	88	171
	Public Administration	0	0	0.00	0	0
	Total	485	\$584,235	100.00	\$202	\$1,205

Credit Carried Forward	Major Industry Group	Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Median Credit Carried Forward	Mean Credit Carried Forward
	Agriculture, Forestry, Fishing & Hunting	39	\$84,771	0.22	\$653	\$2,174
	Mining	5	18,584	0.05	1,504	3,717
	Utilities	3	7,968	0.02	d/	2,656
	Construction	273	639,526	1.67	537	2,343
	Manufacturing	287	3,705,299	9.68	2,834	33,364
	Wholesale Trade	247	389,245	1.02	366	1,576
	Retail Trade	255	1,004,115	2.62	564	6,478
	Transportation & Warehousing	89	362,298	0.95	925	4,985
	Information	65	738,455	1.93	550	11,361
	Finance and Insurance	88	14,899,954	38.91	558	169,318
	Real Estate, Rental, & Leasing	416	\$920,159	2.40	\$349	\$2,212
	Professional, Scientific, & Technical Services	251	14,421,840	37.66	287	57,458
	Management of Companies & Enterprises	31	562,016	1.47	508	18,130
	Administrative & Support & Waste Management & Remediation Services	55	140,676	0.37	288	2,558
	Educational Services	3	984	0.00	d/	328
	Health Care & Social Assistance	210	218,248	0.57	267	1,039
	Arts, Entertainment, & Recreation	59	42,091	0.11	388	713
	Accommodation & Food Services	106	89,129	0.23	271	841
	Other Services (except Public Administration)	109	50,897	0.13	212	467
	Public Administration	0	0	0.00	0	0
	Total	2,591	\$38,296,255	100.00	\$377	\$14,780

Table 30: New York State Alternative Minimum Tax Credit by Size of Entire Net Income - 2002 Liability Year

Credit Earned	Size of Entire Net Income			Number of	Amount of	% of Credit	Median Credit	Mean Credit
				Taxpayers	Credit Earned	Earned	Earned	Earned
	Zero or Net Loss			661	\$1,875,587	50.12	\$277	\$2,837
	\$	1	\$ 99,999	1,588	925,572	24.73	167	583
		100,000	499,999	38	423,004	11.30	1,785	11,132
		500,000	999,999	15	195,774	5.23	2,591	13,052
		1,000,000	24,999,999	12	322,578	8.62	7,545	26,882
		25,000,000	49,999,999	0	0	0.00	0	0
		50,000,000	99,999,999	0	0	0.00	0	0
		100,000,000	499,999,999	0	0	0.00	0	0
		500,000,000	and over	0	0	0.00	0	0
	Total			2,314	\$3,742,515	100.00	\$209	\$1,617
Credit Claimed	Size of Entire Net Income			Number of	Amount of	% of Credit	Median Credit	Mean Credit
				Taxpayers	Credit Claimed	Claimed	Claimed	Claimed
	Zero or Net Loss			1,484	\$19,266,481	49.55	\$397	\$12,983
	\$	1	\$ 99,999	1,300	1,751,615	4.51	272	1,347
		100,000	499,999	84	651,727	1.68	1,335	7,759
		500,000	999,999	14	47,949	0.12	951	3,425
		1,000,000	24,999,999	36	680,993	1.75	2,468	18,916
		25,000,000	49,999,999	d/	d/	d/	d/	d/
		50,000,000	99,999,999	0	0	0.00	0	0
		100,000,000	499,999,999	3	1,783,790	4.59	d/	594,597
		500,000,000	and over	d/	d/	d/	d/	d/
	Total			2,924	\$38,880,490	100.00	\$359	\$13,297

Table 30: New York State Alternative Minimum Tax Credit by Size of Entire Net Income - 2002 Liability Year (Cont'd)

Credit Used	Size of Entire Net Income			Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used		
	Zero or Net Loss			0	\$0	0.00	\$0	\$0		
	\$	1	-	\$	99,999	386	130,519	22.34	136	338
		100,000	-		499,999	60	143,663	24.59	1,106	2,394
		500,000	-		999,999	11	37,887	6.48	523	3,444
		1,000,000	-		24,999,999	24	189,489	32.43	1,675	7,895
		25,000,000	-		49,999,999	d/	d/	d/	d/	d/
		50,000,000	-		99,999,999	0	0	0.00	0	0
		100,000,000	-		499,999,999	d/	d/	d/	d/	d/
		500,000,000	-		and over	0	0	0.00	0	0
	Total			485	\$584,235	100.00	\$202	\$1,205		

Credit Carried Forward	Size of Entire Net Income			Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Median Credit Carried Forward	Mean Credit Carried Forward		
	Zero or Net Loss			1,484	\$19,266,481	50.31	\$397	\$12,983		
	\$	1	-	\$	99,999	1,055	1,621,096	4.23	319	1,537
		100,000	-		499,999	33	508,064	1.33	3,087	15,396
		500,000	-		999,999	4	10,062	0.03	2,767	2,516
		1,000,000	-		24,999,999	13	491,504	1.28	13,745	37,808
		25,000,000	-		49,999,999	0	0	0.00	0	0
		50,000,000	-		99,999,999	0	0	0.00	0	0
		100,000,000	-		499,999,999	d/	d/	d/	d/	d/
		500,000,000	-		and over	d/	d/	d/	d/	d/
	Total			2,591	\$38,296,255	100.00	\$377	\$14,780		

Table 31: New York State Alternative Minimum Tax Credit by Size of Credit Used - 2002 Liability Year

Credit Earned	Size of Credit Used			Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Median Credit Earned	Mean Credit Earned
		Zero			2,314	\$3,742,515	100.00	\$209

Credit Claimed	Size of Credit Used			Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Median Credit Claimed	Mean Credit Claimed
		Zero			2,439	\$37,803,100	97.23	\$368
	\$ 1	-	\$ 499	347	186,316	0.48	166	537
	500	-	999	53	81,178	0.21	900	1,532
	1,000	-	4,999	67	372,900	0.96	2,727	5,566
	5,000	-	9,999	10	134,405	0.35	6,664	13,441
	10,000	-	24,999	5	95,494	0.25	19,645	19,099
	25,000	-	49,999	d/	d/	d/	d/	d/
	50,000	-	99,999	d/	d/	d/	d/	d/
	100,000	-	499,999	0	0	0.00	0	0
	500,000	-	and over	0	0	0.00	0	0
	Total			2,924	\$38,880,490	100.00	\$359	\$13,297

Table 31: New York State Alternative Minimum Tax Credit by Size of Credit Used - 2002 Liability Year (Cont'd)

Credit Used	Size of Credit Used			Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
	\$		\$					
	Zero			0	\$0	0.00	\$0	\$0
	\$ 1	-	\$ 499	347	49,500	8.47	104	143
	500	-	999	53	37,263	6.38	691	703
	1,000	-	4,999	67	152,007	26.02	2,077	2,269
	5,000	-	9,999	10	65,120	11.15	6,414	6,512
	10,000	-	24,999	5	86,993	14.89	18,779	17,399
	25,000	-	49,999	d/	d/	d/	d/	d/
	50,000	-	99,999	d/	d/	d/	d/	d/
	100,000	-	499,999	0	0	0.00	0	0
	500,000	-	and over	0	0	0.00	0	0
	Total			485	\$584,235	100.00	\$202	\$1,205

Credit Carried Forward	Size of Credit Used			Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Median Credit Carried Forward	Mean Credit Carried Forward
	\$		\$					
	Zero			2,439	\$37,803,100	98.71	\$368	\$15,499
	\$ 1	-	\$ 499	101	136,816	0.36	392	1,355
	500	-	999	24	43,915	0.11	735	1,830
	1,000	-	4,999	24	220,893	0.58	2,869	9,204
	5,000	-	9,999	d/	d/	d/	d/	d/
	10,000	-	24,999	d/	d/	d/	d/	d/
	25,000	-	49,999	d/	d/	d/	d/	d/
	50,000	-	99,999	0	0	0.00	0	0
	100,000	-	499,999	0	0	0.00	0	0
	500,000	-	and over	0	0	0.00	0	0
	Total			2,591	\$38,296,255	100.00	\$377	\$14,780

Table 32: New York State Farmers' School Tax Credit by Basis of Taxation - 2002 Liability Year

Credit Earned	Basis of Taxation	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Median Credit Earned	Mean Credit Earned
	Entire Net Income	d/	d/	d/	d/	d/
Fixed Dollar Minimum Tax	94	\$553,927	65.64	\$4,945	\$5,893	
Capital Base	d/	d/	d/	d/	d/	
Alternative Minimum Tax	38	268,740	31.85	5,279	7,072	
Total	139	\$843,862	100.00	\$5,035	\$6,071	

Credit Claimed	Basis of Taxation	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Median Credit Claimed	Mean Credit Claimed
	Entire Net Income	d/	d/	d/	d/	d/
Fixed Dollar Minimum Tax	95	\$569,000	65.27	\$4,926	\$5,989	
Capital Base	d/	d/	d/	d/	d/	
Alternative Minimum Tax	38	272,962	31.31	5,418	7,183	
Total	142	\$871,760	100.00	\$5,051	\$6,139	

Credit Used	Basis of Taxation	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
	Entire Net Income	d/	d/	d/	d/	d/
Fixed Dollar Minimum Tax	11	\$8,615	36.40	\$162	\$783	
Capital Base	d/	d/	d/	d/	d/	
Alternative Minimum Tax	7	13,730	58.02	1,036	1,961	
Total	20	\$23,665	100.00	\$684	\$1,183	

Credit Carried Forward	Basis of Taxation	Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Median Credit Carried Forward	Mean Credit Carried Forward
	Entire Net Income	d/	d/	d/	d/	d/
Fixed Dollar Minimum Tax	7	\$36,352	59.46	\$3,167	\$5,193	
Capital Base	d/	d/	d/	d/	d/	
Alternative Minimum Tax	5	16,181	26.47	2,821	3,236	
Total	14	\$61,136	100.00	\$3,094	\$4,367	

Table 33: New York State Credit for Employment of Persons with Disabilities by Basis of Taxation - 2002 Liability Year

	Basis of Taxation	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Median Credit Earned	Mean Credit Earned
Credit Earned	Entire Net Income	20	\$135,481	69.25	\$2,100	\$6,774
	Fixed Dollar Minimum Tax	16	31,744	16.23	2,100	1,984
	Capital Base	10	22,250	11.37	1,426	2,225
	Alternative Minimum Tax	3	6,155	3.15	d/	2,052
	Total	49	\$195,630	100.00	\$2,100	\$3,992

	Basis of Taxation	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Median Credit Claimed	Mean Credit Claimed
Credit Claimed	Entire Net Income	25	\$143,764	39.68	\$1,832	\$5,751
	Fixed Dollar Minimum Tax	33	170,298	47.01	2,100	5,161
	Capital Base	14	29,959	8.27	1,454	2,140
	Alternative Minimum Tax	5	18,246	5.04	4,200	3,649
	Total	77	\$362,267	100.00	\$2,100	\$4,705

	Basis of Taxation	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
Credit Used	Entire Net Income	24	\$139,282	79.85	\$1,793	\$5,803
	Fixed Dollar Minimum Tax	d/	d/	d/	d/	d/
	Capital Base	9	21,750	12.47	1,528	2,417
	Alternative Minimum Tax	d/	d/	d/	d/	d/
	Total	51	\$174,436	100.00	\$1,382	\$3,420

	Basis of Taxation	Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Median Credit Carried Forward	Mean Credit Carried Forward
Credit Carried Forward	Entire Net Income	d/	d/	d/	d/	d/
	Fixed Dollar Minimum Tax	32	\$161,322	85.89	\$1,878	\$5,041
	Capital Base	d/	d/	d/	d/	d/
	Alternative Minimum Tax	4	13,818	7.36	3,656	3,455
	Total	43	\$187,832	100.00	\$1,960	\$4,368

Table 34: New York State Alternative Fuels Credit by Credit Component - 2002 Liability Year

Alternative Fuels Credit	Credit Component	Number of Taxpayers	Amount of Credit	Median Credit Amount	Mean Credit Amount
	Credit Earned	5	\$606,416	\$96,616	\$121,283
	Credit Claimed	6	972,957	140,945	162,160
	Credit Used	3	480,875	d/	160,292
	Credit Carried Forward	3	492,082	d/	164,027

Due to disclosure provisions, data for this credit cannot be displayed in the traditional format. For this report, only the aggregate totals for each credit component are included.

Table 35: New York State Qualified Emerging Technology Company Employment Credit by Basis of Taxation - 2002 Liability Year

Credit Earned	Basis of Taxation	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Median Credit Earned	Mean Credit Earned
	Entire Net Income	d/	d/	d/	d/	d/
Fixed Dollar Minimum Tax	18	\$272,090	67.51	\$11,000	\$15,116	
Capital Base	3	65,083	16.15	d/	21,694	
Alternative Minimum Tax	d/	d/	d/	d/	d/	
Total	27	\$403,063	100.00	\$10,000	\$14,928	

Credit Claimed	Basis of Taxation	Number of Taxpayers	Amount of Credit Claimed	% of Credit Claimed	Median Credit Claimed	Mean Credit Claimed
	Entire Net Income	d/	d/	d/	d/	d/
Fixed Dollar Minimum Tax	28	\$1,360,199	86.23	\$21,076	\$48,579	
Capital Base	3	65,083	4.13	d/	21,694	
Alternative Minimum Tax	d/	d/	d/	d/	d/	
Total	38	\$1,577,385	100.00	\$17,750	\$41,510	

Credit Used	Basis of Taxation	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
	Entire Net Income	5	\$36,006	32.42	\$7,890	\$7,201
Fixed Dollar Minimum Tax	9	21,456	19.32	900	2,384	
Capital Base	d/	d/	d/	d/	d/	
Alternative Minimum Tax	d/	d/	d/	d/	d/	
Total	17	\$111,078	100.00	\$3,000	\$6,534	

Credit Carried Forward	Basis of Taxation	Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Median Credit Carried Forward	Mean Credit Carried Forward
	Entire Net Income	0	\$0	0.00	\$0	\$0
Fixed Dollar Minimum Tax	21	1,230,521	93.57	21,864	58,596	
Capital Base	d/	d/	d/	d/	d/	
Alternative Minimum Tax	d/	d/	d/	d/	d/	
Total	22	\$1,315,085	100.00	\$23,444	\$59,777	

Table 36: New York State Industrial or Manufacturing Business Tax Credit* by Basis of Taxation - 2002 Liability Year

Credit Earned	Basis of Taxation	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Median Credit Earned	Mean Credit Earned
	Entire Net Income	207	\$845,186	5.69	\$1,011	\$4,083
Fixed Dollar Minimum Tax	628	10,220,072	68.76	1,485	16,274	
Capital Base	87	942,262	6.34	785	10,831	
Alternative Minimum Tax	280	2,856,389	19.22	2,082	10,201	
Total	1,202	\$14,863,909	100.00	\$1,407	\$12,366	

Credit Used	Basis of Taxation	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
	Entire Net Income	188	\$668,949	34.33	\$872	\$3,558
Fixed Dollar Minimum Tax	88	749,495	38.47	808	8,517	
Capital Base	78	147,102	7.55	726	1,886	
Alternative Minimum Tax	67	382,883	19.65	2,054	5,715	
Total	421	\$1,948,429	100.00	\$951	\$4,628	

* The provisions of this credit do not allow a carryforward of excess credit.
Therefore, credit earned is the same as credit claimed.

Table 37: New York State Industrial or Manufacturing Business Tax Credit* by Size of Entire Net Income - 2002 Liability Year

Credit Earned	Size of Entire Net Income			Number of	Amount of	% of Credit	Median Credit	Mean Credit		
				Taxpayers	Credit Earned	Earned	Earned	Earned		
	Zero or Net Loss			576	\$8,819,091	59.33	\$1,577	\$15,311		
	\$	1	-	\$	99,999	299	502,956	3.38	529	1,682
		100,000	-		499,999	117	580,317	3.90	1,458	4,960
		500,000	-		999,999	43	336,586	2.26	2,826	7,828
		1,000,000	-		24,999,999	132	1,421,285	9.56	5,257	10,767
		25,000,000	-		49,999,999	14	602,014	4.05	25,268	43,001
		50,000,000	-		99,999,999	6	522,517	3.52	14,006	87,086
		100,000,000	-		499,999,999	10	430,276	2.89	22,625	43,028
		500,000,000	-		and over	5	1,648,867	11.09	118,226	329,773
	Total			1,202	\$14,863,909	100.00	\$1,407	\$12,366		

Credit Used	Size of Entire Net Income			Number of	Amount of	% of Credit	Median Credit	Mean Credit		
				Taxpayers	Credit Used	Used	Used	Used		
	Zero or Net Loss			134	\$857,785	44.02	\$929	\$6,401		
	\$	1	-	\$	99,999	118	82,256	4.22	306	697
		100,000	-		499,999	57	86,076	4.42	863	1,510
		500,000	-		999,999	20	63,302	3.25	2,384	3,165
		1,000,000	-		24,999,999	75	491,744	25.24	3,688	6,557
		25,000,000	-		49,999,999	4	20,647	1.06	1,634	5,162
		50,000,000	-		99,999,999	d/	d/	d/	d/	d/
		100,000,000	-		499,999,999	9	194,940	10.01	18,859	21,660
		500,000,000	-		and over	d/	d/	d/	d/	d/
	Total			421	\$1,948,429	100.00	\$951	\$4,628		

* The provisions of this credit do not allow a carryforward of excess credit. Therefore, credit earned is the same as credit claimed.

Table 38: New York State Industrial or Manufacturing Business Tax Credit* by Size of Credit Used - 2002 Liability Year

Credit Earned	Size of Credit Used				Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Median Credit Earned	Mean Credit Earned
Zero					781	\$11,419,061	76.82	\$1,539	\$14,621
\$ 1	-	\$ 499		146	141,008	0.95	252	966	
500	-	999		67	149,129	1.00	785	2,226	
1,000	-	4,999		130	439,153	2.95	2,400	3,378	
5,000	-	9,999		36	373,905	2.52	8,563	10,386	
10,000	-	24,999		28	513,354	3.45	13,974	18,334	
25,000	-	49,999		10	454,849	3.06	34,155	45,485	
50,000	-	99,999		d/	d/	d/	d/	d/	
100,000	-	499,999		d/	d/	d/	d/	d/	
500,000	-	and over		0	0	0.00	0	0	
				Total	1,202	\$14,863,909	100.00	\$1,407	\$12,366

Credit Used	Size of Credit Used				Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
Zero					0	\$0	0.00	\$0	\$0
\$ 1	-	\$ 499		146	31,902	1.64	216	219	
500	-	999		67	48,731	2.50	745	727	
1,000	-	4,999		130	304,377	15.62	2,064	2,341	
5,000	-	9,999		36	256,495	13.16	6,710	7,125	
10,000	-	24,999		28	400,570	20.56	12,919	14,306	
25,000	-	49,999		10	323,492	16.60	31,008	32,349	
50,000	-	99,999		d/	d/	d/	d/	d/	
100,000	-	499,999		d/	d/	d/	d/	d/	
500,000	-	and over		0	0	0.00	0	0	
				Total	421	\$1,948,429	100.00	\$951	\$4,628

* The provisions of this credit do not allow a carryforward of excess credit. Therefore, credit earned is the same as credit claimed.

Table 39: New York State Credit for Purchase of an Automated External Defibrillator* by Basis of Taxation - 2002 Liability Year

Credit Earned	Basis of Taxation	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Median Credit Earned	Mean Credit Earned
		Entire Net Income	5	\$4,000	9.64	\$500
	Fixed Dollar Minimum Tax	d/	d/	d/	d/	d/
	Capital Base	d/	d/	d/	d/	d/
	Alternative Minimum Tax	4	15,500	37.35	2,750	3,875
	Total	13	\$41,500	100.00	\$1,000	\$3,192

Credit Used	Basis of Taxation	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
		Entire Net Income	5	\$4,000	15.87	\$500
	Fixed Dollar Minimum Tax	d/	d/	d/	d/	d/
	Capital Base	d/	d/	d/	d/	d/
	Alternative Minimum Tax	4	12,665	50.25	1,333	3,166
	Total	12	\$25,202	100.00	\$750	\$2,100

* The provisions of this credit do not allow a carryforward of excess credit. Therefore, credit earned is the same as credit claimed.

Table 40: New York State Long-Term Care Insurance Credit by Basis of Taxation - 2002 Liability Year*

Credit Earned	Basis of Taxation	Number of Taxpayers	Amount of Credit Earned	% of Credit Earned	Median Credit Earned	Mean Credit Earned
	Entire Net Income	13	\$19,366	49.84	\$463	\$1,490
Fixed Dollar Minimum Tax	12	13,009	33.48	477	1,084	
Capital Base	d/	d/	d/	d/	d/	
Alternative Minimum Tax	d/	d/	d/	d/	d/	
Total	32	\$38,856	100.00	\$570	\$1,214	

Credit Used	Basis of Taxation	Number of Taxpayers	Amount of Credit Used	% of Credit Used	Median Credit Used	Mean Credit Used
	Entire Net Income	12	\$17,982	63.77	\$455	\$1,499
Fixed Dollar Minimum Tax	d/	d/	d/	d/	d/	
Capital Base	6	6,077	21.55	726	1,013	
Alternative Minimum Tax	d/	d/	d/	d/	d/	
Total	28	\$28,199	100.00	\$455	\$1,007	

Credit Carried Forward	Basis of Taxation	Number of Taxpayers	Amount of Credit Carried Forward	% of Credit Carried Forward	Median Credit Carried Forward	Mean Credit Carried Forward
	Entire Net Income	d/	d/	d/	d/	d/
Fixed Dollar Minimum Tax	9	\$8,983	84.29	\$469	\$998	
Capital Base	0	0	0.00	0	0	
Alternative Minimum Tax	d/	d/	d/	d/	d/	
Total	12	\$10,657	100.00	\$455	\$888	

*2002 is the first year of the credit. Therefore, credit earned is the same as credit claimed.

Appendix A: Credit Provisions Effective for Tax Years Beginning Prior to January 1, 2003

Investment Tax Credit

For tax years beginning on or after December 31, 1968, the investment tax credit (ITC) equaled 1 percent of the cost of new or expanded manufacturing production facilities located in New York State. By 1982, the rate had grown to 6 percent.

For tax years beginning in 1987, 1988, and 1989, the rate dropped to 5 percent of the first \$500 million investment, and 4 percent for investment over that amount. For tax years beginning in 1990, the \$500 million threshold dropped to \$425 million, and then to \$350 million for subsequent tax years.

Unused ITC can be carried forward for fifteen years. If a taxpayer qualifies as a new business, they can elect to receive a refund of unused ITC during its first five taxable years. A new business is defined as any corporation except:

- A corporation in which over 50 percent of the number of shares of stock entitling their holders to vote for the election of directors or trustees is owned or controlled, directly or indirectly, by a taxpayer subject to the tax under Article 9-A; sections 183, 184, 185, or 186 of Article 9; Article 32; or Article 33 of the Tax Law.
- A corporation that is substantially similar in operation and in ownership to a business entity or entities taxable or previously taxable under Article 9-A; section 183, 184, 185, or 186 of Article 9; Article 32; or Article 33; or that would have been subject to the tax under Article 23 as it was in effect on January 1, 1980; or the income (or losses) of which is (or was) includable under Article 22 of the Tax Law.
- A corporation that has been subject to tax under Article 9-A for more than five taxable years (excluding short periods).

Investment Tax Credit History of Tax Rates

Investment Year	Rate and Applicable Investment Tax Credit Base
1969 - 1973	1% Optional one-year depreciation write-off for research and development property. Industrial waste treatment and air pollution facilities qualify for elective deductions.
1974 - 1977	2% Optional one-year depreciation write-off for research and development property. Industrial waste treatment and air pollution facilities qualify for elective deductions.
1978	3% Optional one-year depreciation write-off for research and development property. Industrial waste treatment and air pollution facilities qualify for elective deductions.
1/1/79 - 5/31/81	4% Optional one-year depreciation write-off for research and development property. Industrial waste treatment and air pollution control facilities qualify for elective deductions.
6/1/81 - 6/30/82	5% 10% rate on research and development property acquired after 6/30/82. Industrial waste treatment and air pollution control facilities qualify for elective deductions.
7/1/82 - 1986	6% 10% rate on research and development property. Industrial waste treatment and air pollution control facilities qualify for elective deductions.
Beginning in 1987, 1988, and 1989	5% of the first \$500 million. 4% of the amount above \$500 million. 10% rate on research and development property repealed – An optional 9% rate on research and development property becomes effective in 1987 as a component of ITC. Investments in industrial waste treatment property, air pollution control facilities no longer qualify for elective deductions, but remain eligible for ITC. Credit carryforward limited to 7 years.
Beginning in 1990	5% of the first \$425 million. 4% of the amount above \$425 million. An optional 9% rate on research and development property. Credit carryforward remained limited to 7 years.
Beginning after 1990	5% of the first \$350 million. 4% of the amount above \$350 million. An optional 9% rate on research and development property. 1994 law increased carryforward from 7 to 10 years. 1994 law extended pre-1987 ITC cutoff date from 1994 to 1997. 1997 law extended credit carryforward from 10 to 15 years. 1997 law extended pre-1987 ITC cutoff date from 1997 to 2002. ITC extended to broker/dealers (Property placed in service on or after October 1, 1998 and before October 1, 2003). 2002 law extended ITC for financial services to October 1, 2008. 2005 law extended ITC to certain film production facilities.

In addition, taxpayers who met certain employment tests could qualify for the employment incentive credit (EIC). Prior to 1987, this credit equaled one-half of the ITC base and was available for up to three years. However, employment in such years must have equaled at least 101 percent of the employment in the year immediately before the ITC was first claimed.

The 1997-1998 budget extended the ITC and EIC carryforward period from ten to fifteen years. Any unused pre-1987 credits were made available until 2002 to provide relief for businesses. Post-1986 credits have a fifteen year carryforward.

For investments made on or after January 1, 1987, the EIC is a two-year credit described in the following table:

History of Tax Rates of the Employment Incentive Credit

Year Property is Placed in Service	Average Number of Employees During the Tax Year Expressed as a Percentage of Those in the Employment Base Year	Additional Credit as a Percentage of the Investment Credit Base
Tax Years Beginning in 1987, 1988 or 1989	At least 101%	2% of the first \$500 million 2.5% in excess of \$500 million
Tax Years Beginning in 1990	At least 101%, but less than 101.5%	2% of the applicable ITC base
	In excess of 101.5%	2.5% of the applicable ITC base
Tax Years Beginning After 1990	At least 101%, but less than 102%	1.5% of the applicable ITC base
	At least 102%, but less than 103%	2% of the applicable ITC base
	At least 103%	2.5% of the applicable ITC base

Rehabilitation Credit for Historic Barns

Taxpayers may claim a tax credit for the rehabilitation of historic barns in New York State. The credit equals 25 percent of qualified rehabilitation expenditures. The definition of a qualified rehabilitated barn has the same meaning as a “qualified rehabilitated building” for purposes of the federal rehabilitation credit under Section 47 of the Internal Revenue Code. In accordance with federal law for rehabilitation of historic buildings, the barn must have been placed in service before 1936 and would only qualify for the credit based on substantial rehabilitation. Generally, a building will have been considered substantially rehabilitated only if the expenditures exceed the greater of the adjusted basis of the barn or \$5,000. A taxpayer may not claim both the regular investment tax credit on manufacturing property and the investment tax credit for rehabilitation of historic barns on the same property.

Credit for Research and Development Property Under the ITC

Research and development (R&D) property acquired on or after January 1, 1987 qualifies for the ITC. Taxpayers may elect the regular ITC rate including the EIC, or an optional rate on R&D property of 9 percent for taxable years beginning in 1990. If taxpayers elect the higher rate, they cannot claim the EIC on the same investment.

ITC for the Financial Services Industry

An investment tax credit is allowed for qualified property used in the financial services industry. Brokers or dealers in securities can receive the ITC for equipment or buildings used in broker/dealer activity and in activities connected with broker/dealer operations, such as the provision of investment advisory services for a regulated investment company, and lending activities associated with the purchase and sale of securities. The rate of credit, maximum amounts, carryforward provisions, and recapture rules are generally the same as for the regular investment credit.

Property eligible for this credit includes property used in the course of the taxpayer's business: as a broker or dealer in connection with the purchase or sale of stocks, bonds, commodities, or other securities; as a provider of lending, loan arrangement or loan origination services to customers in connection with the purchase or sale of securities; or as a provider of investment advisory services for a regulated investment company. In addition, qualified property includes property used in a course of the taxpayer's business as an exchange registered as a national securities exchange (such as the New York Stock Exchange) or a board of trade, or an entity wholly owned by one or more national security exchanges or boards of trade that provides automation or technical services to the national security exchanges or boards of trade.

Eligibility for the credit requires all or substantially all of the taxpayer's or affiliate's employees performing the administrative and support functions resulting from or relating to the qualifying uses of the property to be located in New York State. Taxpayers that lease property to an affiliated broker/dealer or exchange are also eligible for credit.

Special Additional Mortgage Recording Tax Credit

A credit is allowed equal to the State Special Additional Mortgage Recording Tax paid on mortgages recorded after December 31, 1978. The special additional mortgage recording tax is imposed at the rate of 25 cents per \$100 on the indebtedness secured by a mortgage recorded on or after July 1, 1969. The credit is not allowed for such taxes paid on residential mortgages recorded after May 1, 1987, where the real property is located in Erie County or one or more of the counties comprising the Metropolitan Commuter Transportation District.

For periods beginning on or after January 1, 1994, taxpayers may elect to treat the unused portion of the special additional mortgage recording tax credit as an overpayment to be credited or refunded.

Empire Zone/
Zone Equivalent Area/
Qualified
Empire Zone
Enterprise Tax
Credits

In 1986, New York State enacted legislation to stimulate growth in economically distressed communities. The program provides a package of tax incentives for businesses that invest or provide jobs in designated areas called Empire Zones (EZs). Credits include a wage tax credit, a capital tax credit, and an investment tax credit.

The program has been amended periodically since enactment. Generally, the changes consisted of adjustments to the credit calculation formulas, increases in the credit amounts, and expansions of the number of EZs.

The most recent changes occurred in the 2005-06 budget. The EZ/QEZE program was extended until 2011 and several technical changes were enacted. However, the legislation also contained significant changes regarding the QEZE credits. For the purposes of the credit for real property taxes and the EZ wage tax credit, EZs will be designated as either Investment Zones or Development Zones. The QEZE credit calculation was totally revised, and additional credit restrictions apply in Development Zones. For complete details on these, and other program changes, see Appendix D.

EZ Wage Tax Credit/
ZEA Wage Tax Credit

Eligible taxpayers may claim a wage tax credit for up to five years for doing business and creating jobs in an EZ. The credit amounts differ for targeted and nontargeted employees. A higher credit amount applies to targeted employees (i.e., those with low incomes or on public assistance).

As originally implemented, the credit equaled 25 percent of targeted eligible wages for the first tax year, declining by 5 percent per year for each of the following five years.

The corresponding credit for non-targeted employees equaled one-half of these amounts. The total credit could not exceed 50 percent of pre-credit tax liability.

To qualify for the credit, taxpayers must have filled 20 percent of new zone jobs with zone residents, or with residents of census tracts bordering the zone. In addition, the employer must have shown a statewide and zonewide net employment gain. Ceilings limited the credits.

Beginning on or after January 1, 1994, the wage tax credit was simplified. The wage tax credit was based on the average number of newly hired employees. The first component of the credit

equaled the product of the average number of newly hired targeted employees multiplied by \$1,500. The corresponding credit amount for other employees equaled the average number of newly hired nontargeted employees receiving zone wages multiplied by \$750. Beginning on or after January 1, 2001, the credit amounts increased to \$3,000 for each targeted employee and \$1,500 for each nontargeted employee. Both credits became available for five years.

For tax years beginning on or after January 1, 1994, a similar credit was provided for eligible businesses located in zone equivalent areas (ZEAs). Taxpayers employing individuals in ZEAs could claim a two-year wage tax credit for wages paid to full-time employees in a ZEA. In year one, the credit equaled \$1,000 multiplied by the average number of newly hired targeted employees and \$500 multiplied by the average number of newly hired nontargeted employees. In year two, the credit decreased to \$500 per targeted employee and \$250 per nontargeted employee.

Beginning on January 1, 2001, the credits became available for five years and the amounts were increased to \$3,000 for each targeted employee and \$1,500 for each nontargeted employee. The credit amounts remain the same throughout the five years.

The total EZ or ZEA wage tax credit cannot exceed 50 percent of tax due before credits. Taxpayers may carry forward unused credits indefinitely. In lieu of a carryforward, new business taxpayers may elect to have 50 percent of unused credit refunded.

EZ Capital Tax Credit

A credit applied to the consideration paid for original issue stock purchased from a zone capital corporation. Zone capital corporations are corporations designed to raise money for investment in zone businesses. The credit equaled 25 percent of the amount paid for the stock, up to a lifetime maximum of \$100,000. In any tax year, the credit could not exceed 50 percent of the taxpayer's pre-credit liability. Taxpayers could carry forward unused amounts indefinitely. A recapture provision applied if the taxpayer disposed of the investment within 36 months of acquisition.

For tax years beginning on or after January 1, 1994, the law was amended to allow the EZ capital tax credit for investments in zone capital corporations, direct equity investments in certified zone businesses, and contributions to community development projects. The new credit equals 25 percent of the sum of each type of investment. The lifetime maximum credit per taxpayer equals \$100,000 in each category for an aggregate limit of \$300,000.

Starting in the 2005 tax year, credit can longer be earned for investments in or contributions to EZ capital corporations. Taxpayers can continue to carryforward any unused amounts of credit calculated for these investments prior to January 1, 2005, however.

EZ Investment Tax Credit

Production property acquired or built in an EZ may qualify for an EZ-ITC of 10 percent. Like the regular ITC, this credit cannot reduce the tax due for any year to less than the higher of the tax on the minimum income base or the fixed dollar minimum. However, corporations may carry forward any unused EZ-ITC indefinitely.

An additional 3 percent credit rate (30 percent of the EZ-ITC) applies in the three years following the year in which the corporation claims the EZ-ITC. To qualify for this second credit, the EZ-EIC, the taxpayer's employment in the EZ (excluding general executive officers) must equal at least 101 percent of its average employment in the year prior to earning the EZ-ITC.

Effective January 1, 1994, the EZ-ITC was amended to allow new businesses to elect a 50 percent refund of the unused credit in lieu of a carryforward. Effective January 1, 2001, taxpayers could apply the EZ-EIC against the alternative minimum tax base.

EZ Investment Tax Credit for the Financial Services Industry

Brokers or dealers in securities that are located in an EZ can receive the EZ-ITC for equipment or buildings used in broker/dealer activity and in activities connected with broker/dealer operations. Qualifying activity includes the provision of investment advisory services for a regulated investment company and lending activities associated with the purchase and sale of securities. The credit allowances are the same as the EZ-ITC.

Qualified Empire Zone Enterprise Credits¹

In 2000, the "Empire Zones Program Act" established two new EZ credits. Businesses that become certified as Qualified Empire Zone Enterprises (QEZE) can receive a credit against property taxes paid and a tax reduction credit in addition to the other EZ credits. In order to qualify for the QEZE credits, a taxpayer must first satisfy an annual employment test.

QEZE Real Property Tax Credit

The credit for real property taxes paid is the product of three factors:

1. a benefit period factor which is based on the number of years the taxpayer has been certified as a QEZE;
2. an employment increase factor which varies depending upon the number of jobs created by the QEZE; and
3. eligible real property taxes paid by the QEZE.

The credit is fully refundable.

-
- QEZE Tax Reduction Credit The tax reduction credit is the product of four factors:
1. a benefit period factor which is based on the number of years the taxpayer has been certified as a QEZE;
 2. an employment increase factor which varies depending upon the number of jobs created by the QEZE;
 3. a zone allocation factor which measures the economic presence of the QEZE in the EZ and in New York State; and
 4. a tax factor which is the larger of the tax on the entire net income base or the minimum taxable income base.

The credit is non-refundable, but may be used against the alternative minimum tax base. If a taxpayer is wholly located within a zone (has a zone allocation factor of 100%), they may apply the credit against the fixed dollar minimum tax.

Alternative Minimum Tax Credit

Taxpayers began to accumulate the alternative minimum tax (AMT) credit in 1990. Beginning in 1991, taxpayers could claim the AMT credit against their regular tax (entire net income base) for a portion of AMT paid in 1990 and subsequent years. A taxpayer can use the AMT credit to reduce their regular tax liability to the fixed dollar minimum, the capital base, or the minimum taxable income base, whichever is highest. The credit cannot be used against the subsidiary capital base.

The calculation of the minimum tax credit involves a two-step process. The taxpayer calculates a “tentative” minimum tax by subtracting from the minimum tax the highest of the tax on entire net income, the tax on business and investment capital, or the fixed dollar minimum tax.

In the second step, corporations recalculate the minimum tax they would have paid, accounting for only two specific tax preferences. The first is the preference related to depletion under IRC Section 57(a)(1). The second is the preference related to the appreciated property charitable deduction under IRC Section 57(a)(6)(b). In addition, prior to 1994, both minimum tax calculations disallowed the net operating loss deduction, and required single weighting of the receipts factor. Corporations reduce this recalculated minimum tax by the highest of the tax on entire net income, the tax on business and investment capital, or the fixed dollar minimum tax. The result of subtracting the recalculated minimum tax credit from the “tentative” minimum tax credit equals the minimum tax credit available for subsequent years.

Effective for taxable years beginning in 1994, taxpayers may claim an AMT credit against regular (ENI-based) tax liability for part of the net operating loss deduction not used in computing the AMT. Taxpayers may calculate the AMT credit retroactively for taxable years after 1989 and carry forward the credit indefinitely. The pre-1994 net operating loss component is subject to a five-year transition rule, beginning in taxable years after 1993 and ending before 1999. Under the transition rule, a taxpayer may use up to 20 percent of the credit in each of the five years beginning with the 1994 tax year. Taxpayers will have available the remainder of any unused credit for tax years after 1999.

Farmers' School Tax Credit

Eligible farmers may claim a refundable real property tax credit against the corporate franchise tax. The credit is available to an eligible farmer, defined as a taxpayer whose gross income from farming is at least 2/3 of total gross income. Eligible farmers also include those who paid school district property taxes on qualified agricultural property pursuant to a land contract. The credit equals the total school property taxes paid on qualified agricultural property in the State up to the acreage limitation, and 50 percent of the school taxes paid on acres in excess of the limitation. The acreage limitation equaled 100 acres in 1997 and 250 acres after 1997. The credit is phased out for taxpayers with New York adjusted gross income (entire net income) in excess of \$100,000. Recapture provisions provide for an addback of the credit if the taxpayer converts the property to a nonqualified use in the two years subsequent to the first year of the credit.

Credit for Employment of Persons with Disabilities

Employers who employ individuals with disabilities may claim a credit for a portion of wages paid to such individuals. The credit equals 35 percent of the first \$6,000 of first year wages paid to the disabled employee (a maximum of \$2,100 per employee). However, if the first year's wages qualify for the federal work opportunity tax credit, the New York credit will apply to second year wages. The credit may be applied against the AMT, and unused credits are not refundable but may be carried forward indefinitely. To become eligible for the State credit, the disabled employee must work for the employer on a full time basis for at least 180 days or 400 hours, and must be certified as disabled by the State Education Department. Visually handicapped individuals may receive certification from the appropriate agency responsible for vocational rehabilitation of the blind and visually impaired.

Alternative Fuels Credit

A tax credit is allowed for electric vehicles, clean fuel vehicles using natural gas, methanol and other alternative fuels, qualified hybrid vehicles, and clean fuel refueling facility property. For corporate franchise taxpayers, the credits may be transferred to affiliates. The tax credits equal: 50 percent of the incremental cost of new electric vehicles registered in New York (capped at \$5,000 per vehicle); 60 percent of the cost of new clean-fuel components for alternative fuel vehicles registered in New York (capped at \$5,000 per vehicle with a gross vehicle weight rating of 14,000 pounds or less, and \$10,000 for those over 14,000 pounds); \$2,000 for qualified hybrid vehicles; and 50 percent of the cost of new clean-fuel refueling property used in a trade or business. For tax years beginning on or after January 1, 2000, the credits applied to electric vehicles and clean fuel vehicle property sold or leased to governmental agencies. The vehicles must be manufactured in New York State. In addition, the manufacturing and processing activities relating to the vehicles must create at least 25 full time jobs in New York. Any excess credit generated by sales or leases to governmental agencies is refundable. Starting on January 1, 2005, only credit for refueling property is allowed.

Qualified Emerging Technology Company Tax Credits

The New York State Emerging Industry Jobs Act provides franchise tax credits for qualified emerging technology companies (QETCs) that create new jobs, or for corporate taxpayers that invest in emerging technology companies.

A QETC is one that is located in New York State, has total annual sales of \$10 million or less, and either: has a ratio of research and development funds to net sales that equals or exceeds the average ratio for typical research and development companies; or has products or services classified as emerging technologies. Emerging technologies are explicitly defined in the instructions for the credit forms.

The employment tax credit equals \$1,000 for each individual employed over a base year level and is allowed for three years. Excess credit may be carried forward indefinitely or be refunded by new QETCs. The capital tax credit varies in amount depending on how long the investment is held. Investments held for four years from the close of the tax year in which the QETC capital tax credit is first claimed qualify for a 10 percent credit. Investments held for nine years qualify for a 20 percent credit.

The total amount of credit allowable to a taxpayer for all years may not exceed \$150,000 for credit computed at the 10 percent

rate, and \$300,000 for credit computed at the 20 percent rate. Also, the credit and any carryforwards may not exceed 50 percent of the tax due prior to the application of any other tax credits.

Industrial or Manufacturing Business Credit

Industrial or manufacturing businesses (IMBs) are allowed a credit to be taken against taxes due under Article 9-A. The credit is the sum of taxes paid during the taxable year by their suppliers, due under the provisions of Tax Law Sections 186-a, 186-c, 189, and 189-a of Article 9 for gas, electricity, steam, water, or refrigeration; or the services of providing such, which are used or consumed in New York. Energy providers will provide taxpayers, on request, information on the amounts due and paid for these taxes during the taxpayer's liability year.

To qualify for the IMB credit, a taxpayer must be a business which during the taxable year is principally engaged in: manufacturing, processing, assembling, refining, mining, extracting, farming, agriculture, horticulture, floriculture, viticulture, commercial fishing, or research and development; or is an industrial waste treatment facility or an air pollution control facility; or is principally engaged in a combination of such activities.

Mortgage Servicing Tax Credit

Mortgage bankers, registered under Article 12-D of the Banking Law and meeting certain regulatory requirements established by the State of New York Mortgage Agency (SONYMA), may claim a credit against their franchise tax. The credit equals 2.93 percent of the total principal and interest collected by the bank for each SONYMA mortgage secured by a one-to-four family residence. In addition, mortgage bankers may receive an amount equal to the interest collected during their taxable year on each SONYMA mortgage, secured by a five or more family residence, multiplied by a fraction. The fraction depends on the types of properties which secure the serviced mortgage loans. The credit may be applied against the mortgage banker's liability to reduce their liability to zero. There is no carryforward of excess credit.

Low-Income Housing Credit

The "New York State Low-Income Housing Tax Credit Program," based on the existing federal program, requires an agreement between the taxpayer and the commissioner of the New York State Division of Housing and Community Renewal for a long-term commitment to low-income housing. The amount of the credit depends on the applicable percentage of the qualified basis of each low-income building. The credit amount allocated is allowed as a credit against tax for ten tax years. Unused credits may be carried forward indefinitely. The aggregate cap has been raised several times. Presently, it stands at \$80 million or \$8 million each year.

Green Building Credit²

The green building credit provides incentives for the construction, rehabilitation, and maintenance of buildings with high environmental standards and energy efficiency. The credit rewards the use of environmentally preferable building materials and renewable and clean energy technologies.

There are six different credit components for which a taxpayer might be allowed a credit. Each credit component has its own requirements, formula for calculating the amount of the credit, and cap. A taxpayer might be allowed one or more of these components, with certain restrictions. The components are:

- whole building credit component (owner or tenant) - where base building and all tenant space are green;
- base building credit component (owner) - applies to areas not intended for occupancy by either a tenant or owner;
- tenant space credit component (owner or tenant);
- fuel cell credit component;
- photovoltaic module credit component; and
- green refrigerant credit component.

To obtain eligibility for the green building credit, the taxpayer must first apply to the Department of Environmental Conservation for an "initial credit component certificate." The certificate will set forth the first taxable year for which the credit may be claimed and the maximum credit amount allowable to the taxpayer. The credit may be claimed for five taxable years beginning with the first taxable year allowed pursuant to the initial credit component certificate. In addition, for each taxable year that a credit is claimed, a taxpayer will have to obtain an eligibility certificate issued by a licensed architect or engineer certifying that the project meets the standards for green buildings.

Where a credit has been allowed to an owner who sells a building or to a tenant who terminates his or her tenancy within the period for allowance of the credit, the successor owner or successor tenant will be allowed the credit for the remainder of the period, as long as the property continues to meet the applicable environmental standards.

Credit for Purchase of an Automated External Defibrillator

Taxpayers may claim a credit for the purchase of an automated external defibrillator. The amount of the credit is equal to the cost of the defibrillator, but is capped at \$500 per unit. There is no limit on the number of units for which the credit may be taken. The credit is nonrefundable, and excess credit may not be carried forward.

Long-Term Care Insurance Credit

Taxpayers may claim a credit equal to 10 percent³ of the premiums paid during the tax year for the purchase of, or for continuing coverage under, a long-term care insurance policy that qualifies for the credit pursuant to Insurance Law section 1117. The credit is nonrefundable, but may be carried forward indefinitely.

A qualifying long-term care insurance policy is one that is:

- approved by the New York State Superintendent of Insurance pursuant to section 1117(g) of the Insurance Law; or
- a group contract delivered or issued for delivery outside of New York State that is a qualified long-term care insurance contract as defined in Internal Revenue Code section 7702B.

Fixed Dollar Minimum Tax

Many of New York's tax credits cannot reduce a taxpayer's liability below the alternative minimum tax or the fixed dollar minimum tax. The fixed dollar minimum tax varies according to a taxpayer's gross payroll.

Gross Payroll Amount	Fixed Dollar Amount
\$6,250,000 or more	\$1,500
\$1,000,001 to \$6,249,999	\$ 425
\$500,001 to \$1,000,000	\$ 325
\$250,001 to \$500,000	\$ 225
\$250,000 or less	\$ 100

A fixed dollar minimum of \$800 applies to essentially inactive (i.e., shelf) corporations that meet certain conditions, including:

- gross payroll of \$1,000 or less;
- total gross (i.e., everywhere) receipts of \$1,000 or less; and
- gross assets with an average value of \$1,000 or less.

Legislation enacted in 2004 created two temporary thresholds for taxable years beginning in 2004 and 2005. Taxpayers with a gross payroll of \$25 million or more would be subject to a \$10,000 fixed dollar minimum tax. Taxpayers with a gross payroll of less than \$25 million but more than \$6,250,000 would be subject to a \$5,000 fixed dollar minimum tax.

Endnotes

1. This description of the QEZE credits refers to the law as it existed during the time period covered by the data in this report. A description of the structure of the program following the amendments made in the 2005-06 budget is included in Appendix D.
2. The green building credit was available to taxpayers during the 2002 tax liability year but was not claimed.
3. For tax years beginning after 2003, the credit doubles from 10 percent to 20 percent.

Appendix B: Credit Provisions Effective for Tax Years Beginning After the 2002 Tax Liability Year

Appendix B describes the tax credits that were available to taxpayers for periods following the 2002 tax year. Although these tax credits are available in the year in which this report was produced, final data is not yet available due to filing extensions, fiscal year considerations, and verification and processing procedures.

Credits Available for Tax Years Beginning On or After January 1, 2004

Empire State Film Production Tax Credit

Taxpayers meeting certain threshold levels of film and television production activity in New York State can apply for a tax credit equal to ten percent of qualified costs. The credit can be applied against the alternative minimum tax and is 50 percent refundable. Any amounts carried forward are fully refundable in future periods.

The credit is administered by the Governor's Office for Motion Picture and Television Development.

Credits Available for Tax Years Beginning On or After January 1, 2005

QETC Facilities, Operations, and Training Credit

Taxpayers meeting more stringent QETC qualification tests may qualify for a refundable credit consisting of three components:

1. An 18 percent credit rate on research and development property;
2. A 9 percent credit rate on qualified research expenses; and
3. A 100 percent credit rate for qualified training expenses, up to \$4,000 per employee per year.

A taxpayer may claim the credit for four consecutive years (or five if relocating from an academic incubator facility), and the

amount is capped at \$250,000 per taxpayer per year. No credit is allowed for taxable years beginning on or after January 1, 2012.

Security Training Tax
Credit

Owners of commercial buildings over 500,000 square feet can receive a \$3,000 credit for each security guard employed who has undergone training certified by the New York State Office of Homeland Security (OHS) and is paid a certain minimum wage. The credit is administered by OHS and is refundable.

Credits Available for Tax Years Beginning On or After April 1, 2005

Brownfields Tax
Credits

Three refundable tax credits are available to taxpayers who remediate a site under the Brownfield Cleanup Program.

1. The brownfield redevelopment tax credit consists of three credit components relating to costs associated with: site preparation; tangible property; and on-site groundwater remediation. The credit equals 12 percent of costs associated with each component. The credit increases by two percent if the site is remediated to a Track 1 cleanup level (determined by the Department of Environmental Conservation), and by another eight percent if at least one half of the site is located in an Environmental Zone (En-Zone). An En-Zone is an area designated by the Commissioner of Economic Development and, as of the 2000 census, has a poverty rate of at least 20 percent and an unemployment rate of at least 1¼ times the statewide unemployment rate.
2. The remediated brownfield credit for real property taxes equals 25 percent of the product of the taxpayer's employment factor (a percentage based on the number of persons employed by the taxpayer on a qualified site) and the taxpayer's eligible real property taxes. If the site is located in an En-Zone the credit increases to 100 percent. There is a credit limitation equal to the product of the number of full time employees at the qualified site multiplied by \$10,000.
3. The environmental remediation insurance credit is allowed for premiums paid for environmental remediation insurance up to the lesser of \$30,000 or 50 percent of the cost of the premiums.

Credits Available for Costs Incurred On or After July 1, 2005

Fuel Cell Electricity Generating Equipment Credit

Taxpayers may claim a credit equal to qualified fuel cell electric generating equipment expenditures for the tax year in which the equipment is placed in service. Qualified expenditures are associated with the purchase of on-site electricity generation systems utilizing proton exchange membrane fuel cells up to 100 kilowatts of rated capacity. The maximum credit is \$1,500 per generating unit and the taxpayer may carryforward any unused credit indefinitely.

Appendix C: Article 9-A Tax Credit Forms and Credit Ordering Rules

Forms for Credits Available to Taxpayers During the 2002 Tax Year^{1,2}	
Form Number	Form Name
CT-40	<i>Claim for Alternative Fuels Credit</i>
CT-41	<i>Claim for Credit for Employment of Persons with Disabilities</i>
CT-43	<i>Claim for Special Additional Mortgage Recording Tax Credit</i>
CT-44	<i>Claim for Investment Tax Credit for the Financial Services Industry</i>
CT-46	<i>Claim for Investment Tax Credit and Employment Incentive Credit</i>
CT-46-ATT	<i>Credit for Rehabilitation Expenses for Retail Enterprises and Historic Barns</i>
CT-47	<i>Claim for Farmers' School Tax Credit</i>
CT-249	<i>Claim for Long-Term Care Insurance Credit</i>
CT-250	<i>Credit for Purchase of an Automated External Defibrillator</i>
CT-601/CT-601.1	<i>Claim for EZ Wage Tax Credit/Claim for ZEA Wage Tax Credit</i>
CT-602	<i>Claim for EZ Capital Tax Credit</i>
CT-603	<i>Claim for EZ Investment Tax Credit and EZ Employment Incentive Credit</i>
CT-604	<i>Claim for QEZE Credit for Real Property Taxes and QEZE Tax Reduction Credit^{3,4}</i>
CT-605	<i>Claim for EZ Investment Tax Credit and EZ Employment Incentive Tax Credit for the Financial Services Industry</i>
DTF-621	<i>Claim for QETC Employment Credit</i>
DTF-622	<i>Claim for QETC Capital Tax Credit</i>
DTF-623	<i>Claim for Industrial or Manufacturing Business (IMB) Credit</i>
DTF-624	<i>Claim for Low-Income Housing Credit</i>
DTF-630	<i>Claim for Green Building Credit</i>

Forms for Additional Credits Available to Taxpayers for Tax Years After 2002	
<i>Form Number</i>	<i>Form Name</i>
CT-248	<i>Claim for Empire State Film Production Credit</i>
DTF-619	<i>Claim for QETC Facilities, Operations, and Training Credit</i>
CT-611	<i>Claim for Brownfield Redevelopment Tax Credit</i>
CT-612	<i>Claim for Remediated Brownfield Credit for Real Property Taxes</i>
CT-613	<i>Claim for Environmental Remediation Insurance Credit</i>
CT-259	<i>Claim for Fuel Cell Electric Generating Equipment Credit</i>

Note: the security training tax credit has not yet been assigned a form number or name.

Tax Credit Ordering Rules

Taxpayers are instructed to apply tax credits in the following order:

- non-carryover, non-refundable credits;
- Empire Zone/Zone Equivalent Area Wage Tax Credits;
- carryovers of limited duration;
- carryovers of unlimited duration;
- refundable credits.

The appropriate application of multiple credits is illustrated in the following table. Credits that were available after the 2002 tax liability year, and therefore not covered by this report, are shaded.

Noncarryover Credits
Mortgage servicing tax credit
Automated external defibrillator credit
Qualified Empire Zone Enterprise (QEZE) tax reduction credit
Empire Zone (EZ) and Zone Equivalent Area (ZEA) Wage Tax Credits
EZ wage tax credit
EZ wage tax credit for new businesses only ⁵
ZEA wage tax credit
ZEA wage tax credit for new businesses only ⁵
Carryover Credits of Limited Duration
Investment tax credit (ITC) for financial services
Employment incentive credit (EIC) for the financial services industry
ITC, including retail enterprises and historic barns credit
EIC
Carryover Credits of Unlimited Duration
Alternative minimum tax credit
Alternative fuels credit ⁶
Credit for employing individuals with disabilities
Special additional mortgage recording tax credit
Long-term care insurance credit
EZ capital tax credit
EZ-ITC
EZ-EIC
EZ-ITC for the financial services industry
EZ-EIC for the financial services industry
QETC employment credit ⁷
QETC capital tax credit
Low-income housing credit
Green building credit
Credits That Are Refundable
Alternative fuels credit for qualified taxpayers only ⁶
Special additional mortgage recording tax credit for residential mortgages only
ITC for the financial services industry for new businesses only
ITC, including retail enterprises and historic barns credit, for new businesses only
Farmers' school tax credit
EZ-ITC for new businesses only
QEZE real property tax credit
EZ-ITC for financial services for new businesses only
Industrial or manufacturing business credit
QETC employment credit for new businesses only ⁷
Empire State film production credit (available for tax years beginning on/after 1/1/04)
QETC facilities, operations, and training credit (available for tax years beginning on/after 1/1/05)
Security training tax credit (available for tax years beginning on/after 1/1/05)
Brownfields tax credits (available for tax years beginning on/after 4/1/05)
Fuel cell electricity generating equipment credit (available for costs incurred on/after 7/1/05)

Endnotes

1. In 2002, the alternative minimum tax credit was calculated on Schedule B, Part II of Attachment CT-3-ATT, *Schedules B, C, D, and E - Attachment to Form CT-3*.
2. The amount of the credit for servicing certain mortgages, which is available only to mortgage bankers, is reported on a letter from the New York State Mortgage Association to the taxpayer.
3. Corporate partners of a QEZE complete form CT-604-CP, *Claim for QEZE Credit for Real Property Taxes and QEZE Tax Reduction Credit for Corporate Partners*.
4. The two QEZE credits were split into separate credit forms starting in the 2005 tax year. The tax reduction credit remained on form CT-604, but the credit for real property taxes is now calculated on form CT-606.
5. Despite the fact that the EZ/ZEA wage tax credit is refundable to new businesses, the Tax Law requires the credits to be applied prior to carryover-eligible credits or other refundable credits.
6. Beginning on January 1, 2005, the alternative fuels credit is only available for refueling property. The credit was refundable prior to that date, but only for electric vehicles manufactured in New York State, or clean-fuel vehicle property installed in or manufactured as a part of a motor vehicle in New York State, if those vehicles were sold or first leased during the tax year to a governmental unit.
7. For tax years prior to 2005, the QETC employment credit was only refundable to new businesses. For tax years beginning on or after January 1, 2005, the credit is refundable to all businesses.

Appendix D: History of Legislative Actions Impacting Article 9-A Tax Credits

This appendix provides a brief summary of changes to tax credits that were contained in state budgets or as separate legislation. Each year, the Office of Tax Policy Analysis publishes a *Summary of Tax Provisions* which offers a more detailed discussion of budget and tax credit provisions. Also, the Tax Department typically publishes an annual Technical Services Bureau memorandum (TSB-M) that summarizes changes to the Tax Law.

Changes in 1996-97 State Budget Year

- *Credit for Rehabilitation of Historic Barns*

Effective for taxable years beginning on or after January 1, 1997, the investment tax credit (ITC) was expanded to allow a corporate franchise tax credit for the rehabilitation of historic barns in New York State.

- *Farmers' School Tax Credit*

The farmers' school tax credit was enacted, effective for taxable years beginning in 1997.

Changes in 1997-98 State Budget Year

- *Alternative Fuels Credit*

The alternative fuels credit was enacted, available for property placed in service in taxable years beginning on or after January 1, 1998.

- *Credit for Employment of Persons with Disabilities*

The credit for employment of persons with disabilities was enacted, effective for tax years beginning on or after January 1, 1998, with respect to workers who begin work on or after January 1, 1997.

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- *Investment Tax Credit Carryover*

The budget extended the ITC carryforward from ten to 15 years. Any unused pre-1987 credits were available until 2002 and post-1986 credits have a 15-year carryforward.

Changes in 1998-99 State Budget Year

- *Investment Tax Credit for Broker/Dealers in the Financial Securities Sector*

The ITC available to corporations for manufacturing operations, was extended to corporations, banks and personal income taxpayers that are brokers or dealers in securities. The credit is available for property placed in service for the five year period between October 1, 1998, and September 30, 2003.

- *“New York State Emerging Industry Jobs Act”*

The “New York State Emerging Industry Jobs Act” provided Article 9-A tax credits for qualified emerging technology companies (QETCs) that invest in research and development in New York State.

The provisions include an employment tax credit equal to \$1,000 for each individual employed full time over a base year level. The law also established capital credits that vary depending on how long the investment is held. The credit provisions apply to tax years beginning on or after January 1, 1999.

Changes in 1999-00 State Budget Year

- *Expansion of Qualified Emerging Technology Company Credit to the Remanufacturing of Certain Commodities*

The existing definition of qualified emerging technologies for purposes of the QETC employment tax credit and capital investment tax credits was broadened. The new definition includes companies that use remanufacturing processes to restore eligible commodities.

The expanded definition provision took effect for taxable years beginning on or after January 1, 2001.

- *Automated External Defibrillator Tax Credit*

The automated external defibrillator tax credit was enacted, effective for taxable years beginning on or after January 1, 2001.

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- *Merger and Acquisition Provisions Relating to the Investment Tax Credit*

The budget legislation repealed provisions relating to mergers, acquisitions, and consolidations, and as a result prevented the elimination of ITC for these companies. The provisions took effect for taxable years beginning on or after January 1, 2000.

- *Economic Development Zone, Zone Equivalent Area Wage Tax Credit Expansion*

The budget legislation doubled the existing wage tax credit for wages paid in Economic Development (EDZs) and Zone Equivalent Areas (ZEAs). The credit increased from \$1,500 to \$3,000 for targeted employees and from \$750 to \$1,500 for other individuals. In addition, the legislation increased, from two to five years, the period in which taxpayers may claim the ZEA wage credit. The provisions took effect for taxable years beginning on or after January 1, 2001.

- *Alternative Fuels Credit Expansion*

The availability of existing alternative fuels credits for electric vehicles and clean fuel vehicle property was expanded. The credits apply to such vehicles sold or leased to governmental entities in taxable years beginning on or after January 1, 2000. The credit was capped at \$2.5 million for the total amount allowed, with a sunset on December 31, 2001.

Changes in 2000-01 State Budget Year

- *“Empire Zones Program Act”*

The “Empire Zones Program Act” changed the term, “Economic Development Zone” to “Empire Zone” (EZ) and created two new credits. Businesses that meet an annual employment test can become certified as Qualified Empire Zone Enterprises (QEZEs) and receive a credit for real property taxes and a tax reduction credit. The credits apply to taxable years beginning on or after January 1, 2001.

- *Empire Zone Employment Incentive Credit and the Alternative Minimum Tax*

The budget amended the EZ employment incentive credit, allowing it to be used against the alternative minimum tax base. The change was effective for tax years beginning on or after January 1, 2001.

- *Green Building Credit*

The green building credit was enacted. The total credit pool available is \$25 million over 10 years, and the Department of Environmental Conservation determines the amount of credit available to individual taxpayers. The credits apply to costs incurred on or after June 1, 1999, for property placed in service or that has received a final certificate of occupancy in tax years beginning on or after January 1, 2001.

- *Industrial or Manufacturing Business Credit*

The industrial or manufacturing business (IMB) credit was enacted, effective for taxable years ending on or after January 1, 2000.

- *Merger and Acquisition Retroactive Investment Tax Credit*

The budget provided for the law preventing the unfair elimination of ITC for companies involved in mergers and acquisitions to apply retroactively to tax years beginning on or after January 1, 1997. Amended returns could not be filed prior to April 1, 2001.

- *Alternative Fuels Credit Extension*

Special provisions under Article 9-A relating to the sale or lease of electric vehicles or clean fuel vehicle property installed in motor vehicles to governmental entities were extended to include taxable years beginning in 2002 and 2003.

- *Low-Income Housing Credit*

The budget established the “New York State Low-Income Housing Tax Credit Program.” The credit is administered by the New York State Division of Housing and Community Renewal (DHCR) and is effective for tax years beginning on or after January 1, 2000, with respect to commitments for construction agreed upon on or after May 15, 2000.

- *Investment Tax Credit Transfer*

This provision allowed taxpayers to transfer their ITC to a transferee corporation in a qualified, stock-for-assets spinoff transaction. The credit transfer is allowed for ITC property

transferred as part of the spinoff, where recapture or limitation of the ITC would otherwise be required. If both parties jointly elect, the transferor would not be required to recapture its ITC on the transferred property. The transferee would then acquire the transferor's unused ITC. If they do not jointly elect the first option, the transferor would be required to recapture its ITC. The transferee would obtain the recaptured amount as its credit. Under either option, the transferee would treat the transferor's holding period and original cost as if it were its own for purposes of possible recapture. If the transferred credit exceeds the transferee's tax, the transferee would be entitled to a refund in the year of the credit. The credit allowed to the transferee is available in four equal portions beginning in the second succeeding taxable year following the transaction year. This provision applies to transfers of property occurring on or after January 1, 1999, in connection with qualified transactions completed prior to June 1, 1999, where the transfers occur in a taxable year of the transferee of the property which began in 1999.

- *Long-term care insurance credit*

The long-term care insurance credit was enacted, effective for tax years beginning on or after January 1, 2002.

Changes in 2001-02
State Budget Year

- *Empire Zone program expansion*

Eight new Empire Zones were authorized.

Changes in 2002-03
State Budget Year

- *Special Investment Tax Credit Provisions*

Special provisions were enacted for dealing with property damaged or destroyed in the September 11th terrorist attacks. Ordinarily, a taxpayer would be required to recapture the ITC in the year in which such property ceases to be in qualified use, but in this instance, such recapture may be deferred to the next taxable year. If, in that year, a taxpayer retains a significant number of employees, no recapture is required. Also, no recapture is required if a taxpayer lost more than 50 percent of its employees. If a taxpayer elects not to defer recapture and purchases replacement property, the ITC base is determined without regard to the normal required basis reduction.

- *Investment Tax Credit for the Financial Services Industry Extended*

The sunset date for the ITC for the financial services industry was extended from October 1, 2003 to October 1, 2008. This provision applies to property placed in service before October 1, 2008.

- *Low-Income Housing Credit Doubled*

The Statewide aggregate credit limit for the low-income housing tax credit was doubled from \$2 million to \$4 million.

- *Empire Zone Technical Corrections*

The EZ program was amended to clarify certain provisions and implement new components for several credit calculations. The changes fall into three main categories:

New Business Definition

The five-year new business period concept was clarified and simplified for the purpose of claiming refunds of credits. The new language clarified that a new business can receive an EZ-ITC refund in each of its first five years.

QEZE Technical Corrections

Technical issues were addressed regarding: the interplay of the effective date of the QEZE program with the General Municipal Law (GML) statutory provisions; the real property tax credit calculation; the treatment of payments in lieu of taxes; the employment test; and the definition of "employment number."

The effective date correction allows a certified QEZE to continue to receive QEZE benefits for the full term to which they are entitled, even in the event that the GML provisions authorizing the QEZE program were not extended past their expiration date of July 31, 2004.

The real property tax credit calculation was amended to include a limitation which is the greater of the employment increase limitation or the capital investment limitation. It also incorporated a recapture provision for instances where the amount of property taxes used in the property tax factor are reduced.

The corrections also codified Tax Department policy that the term *eligible real property taxes* included certain payments in lieu of taxes (PILOT payments). However, the amendment included a requirement that the PILOT payments be made pursuant to a written agreement approved by both the New York State Department of Economic Development and Office of Real Property Services as satisfying generally accepted and recognized standards of real property tax appraisals.

The employment test was modified so that: if a QEZE is certified in at least one EZ, all qualified employees working in any EZ will be considered employees for purposes of the employment test, regardless of whether the QEZE is certified in all of the EZs; for QEZEs that have a base period of zero years and an employment number in EZs greater than zero, the employment test will be met only if the QEZE is a new business; a taxpayer located in an EZ as a result of a boundary revision or in a newly designated EZ, will calculate the test as if they were always in that location and as if that location was always included in that EZ; and when a business enterprise relocates to an EZ from a business incubator facility, the test will be calculated as if the business enterprise was located in the EZ during its base period.

The term “employment number” was modified to exclude any individual who was employed in the preceding sixty months by a related person to the QEZE (as related person is defined in IRC section 465(b)(3)(c)).

EZ Wage Tax Credit Amendments

The new language specified that, in order for a related business to claim a wage tax credit, the employee for which the credit is being claimed must not have been employed by the related business within the preceding 60 months. This requirement can be waived if the individual had never previously generated a wage tax credit. The budget also clarified that the wage tax credit allowance period is five years from the date of original certification.

- *Empire Zone Expansion*

Ten new EZs were authorized, bringing the total number of EZs across the State to 72. Four zones were previously approved but not designated, while of the six new zones, four will contain two square miles, and two will contain one square mile. Also, this provision required that 75 percent of all unused zone acreage

designated after January 1, 2003, must be limited to three primary non-contiguous areas. The remaining 25 percent of "floater" acreage can only be designated outside of three primary areas if certain specific job creation criteria are met.

Changes in 2003-04 State Budget Year

There were no tax credit provisions enacted or affected by the 2003-04 State Budget. Separate legislation, Part H of Chapter 1 of the Laws of 2003, enacted the Brownfields tax credits.

- *Brownfields Tax Credit Program*

The brownfields tax credit program consists of three components:

Brownfield Redevelopment Tax Credit

The refundable credit equals 12 percent of the expenses related to site remediation, tangible personal property (i.e. structures) development, and groundwater remediation. A two percent bonus rate applies if the cleanup achieves a "Track 1" standard, established by the Department of Environmental Conservation (DEC). An eight percent bonus rate applies if the project is in an "En-Zone," defined as an area with a poverty rate of at least 20 percent and an unemployment rate of at least 1.25 times the statewide rate.

Remediated Brownfield Credit for Real Property Taxes

The refundable credit is based on the number of full-time employees hired and property taxes paid. To qualify, the taxpayer must hire at least 25 employees. The credit is capped at 25 percent of property taxes, but if the property is located in an En-Zone, the cap is removed.

Remediation Insurance Credit

The refundable credit is available only in the year in which the certificate of remediation is issued by DEC. The credit equals the lesser of \$30,000 or 50 percent of the premiums paid by the taxpayer for environmental remediation insurance.

Changes in 2004-05 State Budget Year

- *Empire State Film Production Credit*

The budget established a new tax credit for film production activity in New York State. If the taxpayer satisfies certain criteria regarding a threshold level of activity in the State, the credit equals 10 percent of qualified production costs incurred in the production of films and television shows. Fifty percent of excess credit is refundable, and any excess credit carried forward

is fully refundable in the second year. The aggregate amount of credit available in any calendar year is \$25 million. The credit is administered by the Governor's Motion Picture Office. The credit sunsets in four years.

- *Low-Income Housing Credit Increased*

The Statewide aggregate credit limit for the low-income housing tax credit was increased from \$4 million to \$6 million.

- *Alternative Fuels Credit Extension*

The alternative fuels credit was extended for vehicles and property placed in service in taxable years beginning on or after January 1, 2004. The credit sunsets for taxable years beginning after December 31, 2004.

- *QETC Credits Expanded*

The QETC employment and capital tax credits were expanded to cover businesses engaged in biotechnology.

- *Empire Zone Extension and Clarification*

The budget extended the Empire Zones program to March 31, 2005.

A separate law, Chapter 209 of the Laws of 2004, was enacted which clarified that taxpayers who are certified before the expiration of the EZ program would be allowed to continue to claim the benefits to which they are entitled for the full benefit period.

- *Long-Term Care Insurance Credit Doubled*

Health-related budget legislation (Chapter 58 of the Laws of 2004) increased the credit for long-term care insurance from 10 to 20 percent of premiums paid, effective for tax years beginning after 2003.

Changes in 2005-06 State Budget Year

- *Empire Zone/Qualified Empire Zone Enterprise Reform and Extension*

Part W of Chapter 61, as amended by Part A of Chapter 63, of the Laws of 2005 contained significant reforms to the Empire Zones (EZ)/Qualified Empire Zone Enterprise (QEZE) program.

Changes to the zone boundaries affect all taxpayers, while changes to eligibility and benefits apply to taxpayers certified on or after April 1, 2005. The entire program was extended to June 30, 2011.

Zone Structure

- Zones will now be designated as either Investment Zones (IZ) or Development Zones (DZ). Generally, IZs encompass economically distressed areas and DZs are “county zones.”
- The zone boundaries will be redrawn and will attempt to encompass as much of the old boundaries as possible.
- IZs may only contain three areas; DZs may only contain six areas. However, if the DZ is located in more than one county, it may contain 12 areas.
- Both IZs and DZs can apply to have one additional area within their borders.
- DZs can apply to have three areas designated as IZs.
- Current beneficiaries that cannot be included in the redrawn boundaries will continue to be eligible for their benefits until they are decertified.
- Certain projects can be located outside of the designated areas within IZs and DZs. These include: manufacturers who create 50 or more jobs; agri-businesses; hi-tech or biotech companies making a \$10 million capital investment and creating 20 or more jobs; and financial or insurance services firms or distribution centers creating 300 or more jobs.
- Twelve new zones will be created. Each of the 11 counties that do not currently have a zone will be eligible to apply for one, as will Chinatown.

Taxpayer Eligibility

- For purposes of the QEZE employment test, taxpayers will include their employees within EZs in their statewide employment number.
- The number of employees in the current tax year must exceed the number in the base period.
- If a corporation has zero base period employment or a base period of zero, they must qualify as a new business.
- The base period is shortened from five to four years.
- The QEZE employment number can include employees from a related person only if they were not employed within New York State within the preceding 60 months.
- Corporations identical in ownership and operation can qualify as a new business if they are expanding operations in a different county. The benefit period is the same for both QEZEs however.

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- Businesses certified prior to August 1, 2002 with zero base years or zero base period employment will not be deemed new businesses unless they were formed for a valid business purpose and not solely to gain Empire Zone benefits.

Taxpayer Benefits

- The benefit period is shortened from 15 years to 10 years.
- The QEZE real property tax credit calculation is amended to be 25 percent of the product of the wages and health and retirement benefits of net new employees, up to \$10,000 per employee. Wages in excess of \$40,000 will not be counted.
- If a taxpayer is located in a DZ, they are subject to an additional employment increase factor which will reduce the credit. The factor is scaled to reward greater employment increases. Manufacturers will not be subject to this factor, regardless of location.
- The credit limitation is amended to be the greater of the credit calculation or the capital investment amount.
- For QEZEs in an IZ and QEZE manufacturers, the limitation is the existing credit limitation. For QEZEs in a DZ, the limitation is the product of 10 percent of the cost of construction, expansion, or rehabilitation, as opposed to acquisition, of real property owned by the QEZE and located in the EZ, and the percent of property occupied and used by the QEZE or a related person.
- The credit is further limited to the amount of real property taxes paid.
- Real property taxes will include property taxes paid by a lessee under certain circumstances.
- The language regarding PILOTs is amended to restrict the amount of the PILOT for purposes of the credit to the product of the taxpayer's basis in the property and the county full value tax rate.

Agricultural Co-operatives

- The bill adds a fixed dollar minimum limitation for agricultural co-ops for the QEZE real property tax credit.
- The EZ investment tax credit, employment incentive credit, and wage tax credit are extended to agricultural co-ops.
- These changes are retroactive to 2004.

EZ Wage Tax Credit

- Honorably discharged veterans are added to the list of targeted employees.
- If a taxpayer is located in an IZ, the credit is increased by \$500 per each employee paid over \$40,000 in wages.

EZ Capital Tax Credit

- The credit for investments in or contributions to EZ capital corporations is eliminated.
- *QETC Facilities, Operations, and Training Credit*

A new qualified emerging technology company credit was created for certain QETCs. To qualify, a QETC must have fewer than 101 employees, 75 percent of which are employed in New York State. They must also have a ratio of research and development funds to net sales which equals or exceeds six percent. Finally, gross revenues may not exceed \$20 million for the tax year immediately preceding the year in which the taxpayer is claiming the credit. A taxpayer may claim the credit for four consecutive years. However, if relocating from an academic incubator facility, a taxpayer is entitled to one additional year. The credit is capped at \$250,000 per taxpayer per year and is refundable. No credit is allowed for taxable years beginning on or after January 1, 2012.

The credit consists of three components:

Research and Development Property

Research and development property is eligible for an 18 percent credit rate. Qualified property is the same as that eligible for the investment tax credit, although the base is expanded to specifically include property used for testing or inspection, or costs associated with quality control, research, development, fees for use of facilities or processes for such activities, or production or distribution of materials and products resulting from the research.

Research Expenses

Qualified research expenses are eligible for a 9 percent credit rate. Qualified expenses include expenses associated with in-house research and processes, and costs associated with the dissemination of research and development results and the patent process.

High-technology Training Expenditures

A taxpayer may take a credit equal to qualified training expenses, up to \$4,000 per employee per year. Training includes courses related to the activities of the QETC completed at a post-secondary college or university located in New York State. Training expenses include items such as costs of tuition and fees, software, and textbooks.

- *Green Buildings Tax Credit Period Two*

A second allocation of green buildings tax credits was authorized.

An aggregate of \$25 million in credit component certificates may be issued by the Department of Environmental Conservation (DEC) in tax years beginning in 2005 through 2009. The amount on any one certificate is limited to \$2 million, but a taxpayer may obtain multiple certificates if they are an owner or tenant of more than one qualified building. The aggregate credit components of \$25 million are applicable for years beginning in 2006 and ending in 2014. The budget also addressed circumstances where a taxpayer is unable to claim the credit they have been allocated. DEC may reallocate such credit either to an existing qualified recipient or to a new qualified applicant, provided the reallocation does not exceed the \$2 million limit for period two.

- *Low-Income Housing Credit Increased*

The Statewide aggregate credit limit for the low-income housing tax credit was increased from \$6 million to \$8 million.

- *Alternative Fuels Credit*

Chapter 310 of the Laws of 2005 extended the alternative fuels credit to cover only clean-fuel vehicle refueling property placed in service during the taxable year. The term "clean-fuel" means natural gas, liquefied petroleum gas, hydrogen, electricity, and any other fuel which is at least 85 percent, singly or in combination, methanol, ethanol, any other alcohol, or ether.

- *Investment Tax Credit Extended to Film Production Facilities*

Chapter 393 of the Laws of 2005 extended the ITC to property owned by a qualified film production facility and used by another for film production activity. For the taxpayer to qualify, they must provide three or more services to a qualified film production company using the facility, such as studio lighting grids, lighting and grip equipment, multi-line phone service, broadband information technology access, industrial scale electrical capacity, food services, security services, and heating, ventilation and air conditioning.

- *Security Training Tax Credit Enacted*

Chapter 537 of the Laws of 2005 created a tax credit for owners of buildings over 500,000 square feet who employ qualified security guards. The credit is \$3,000 for each guard who has undergone training certified by the New York State Office of Homeland Security (OHS) and is paid a certain minimum wage. The credit is administered by OHS and is refundable.

- *Fuel Cell Electricity Generating Equipment Credit*

The tax credit for fuel cell electricity generating equipment available under the personal income tax is extended to the corporate franchise tax. Effective for costs incurred on or after July 1, 2005, a taxpayer may claim a credit equal to qualified fuel cell electric generating equipment expenditures. Qualified expenditures are associated with the purchase of on-site electricity generation systems utilizing proton exchange membrane fuel cells up to 100 kilowatts of rated capacity. The maximum credit is \$1,500 per generating unit and the taxpayer may carryforward unused credit indefinitely.

Index of Changes by Tax Credit

The table on the following pages lists the history of changes for each tax credit.

Credit	Budget Year	Object of Change
Farmers' School Tax Credit	1996-97	credit enacted
Alternative Fuels Credit	1997-98	credit enacted
	1999-00	credit expanded to cover sales/leases to governmental entities
	2000-01	sunset date extended
	2004-05	sunset date extended
	2005-06	sunset date extended only for refueling property
Automated External Defibrillator Tax Credit	1999-00	credit enacted
Brownfields Tax Credit Program	2003-04	credit enacted
Credit for Employment of Persons with Disabilities	1997-98	credit enacted
Empire State Film Production Credit	2004-05	credit enacted

Credit	Budget Year	Object of Change
Empire Zone Credits	1999-00	EZ/ZEA wage tax credit amounts doubled, period lengthened
	2000-01	QEZE tax reduction credit and real property tax credit enacted
		EZ employment incentive credit allowed against alternative minimum tax
	2001-02	creation of additional zones authorized
	2002-03	EZ technical corrections enacted
		creation of additional zones authorized
	2004-05	sunset date extended
		full term of benefits language adopted
	2005-06	program reform and extension
	Green Building Credit	2000-01
2005-06		Period two and technical fixes enacted
Industrial or Manufacturing Business Credit	2000-01	credit enacted
Investment Tax Credit	1996-97	allowed for historic barns
	1997-98	carryover period extended
	1998-99	allowed for broker/dealer activity
	1999-00	merger and acquisition technical fix
		merger and acquisition retroactive technical fix
	2000-01	allowed transfer of ITC in limited cases
		recapture rules amended regarding property damaged on 9/11/01
	2005-06	broker/dealer activity sunset date extended
2005-06	credit extended to qualified film production facilities	
Long-Term Care Insurance Credit	2000-01	credit enacted
	2004-05	credit percentage doubled
Low-Income Housing Credit	2000-01	credit enacted
	2002-03	aggregate statewide credit amount doubled
	2004-05	aggregate statewide credit amount increased
	2005-06	aggregate statewide credit amount increased

Credit	Budget Year	Object of Change
Qualified Emerging Technology Company Credits	1998-99	employment and capital credits enacted
	1999-00	credits expanded to cover re-manufacturers of certain commodities
	2004-05	credits expanded to cover biotechnology companies
	2005-06	facilities, operations, and training credit enacted
Security Training Tax Credit	2005-06	credit enacted
Fuel Cell Electricity Generating Equipment Credit	2005-06	credit enacted

Appendix E: Legislative Mandate

Section 109(a) of the Business Tax Reform and Rate Reduction Act of 1987 (Chapter 817 of the Laws of 1987) requires the Commissioner of Taxation and Finance to conduct a study regarding corporate tax credits. The legislative mandate follows.

On or before December first, nineteen hundred eighty-eight and on or before December first of each year thereafter, the commissioner of taxation and finance shall submit a written report and such data and supporting documentation as are available and meaningful regarding the number of taxpayers claiming, using, and carrying forward tax credits and the total amount of such credits claimed, used and carried forward and the median, mean and distribution of such credits for taxable years beginning during nineteen hundred eighty-four, and each subsequent year, to the extent that such information is available. Such reports shall present the latest information available reflecting amended returns filed by taxpayers and adjustments upon audit by taxpayer liability period as well as the impact of such credits upon state fiscal year revenues.

Copies of these reports shall be submitted by the commissioner of taxation and finance to the governor, the temporary president of the senate, the speaker of the assembly, the chairman of the senate finance committee and the chairman of the assembly ways and means committee. Such reports shall contain, but need not be limited to, information by industrial classification, by basis of taxation, by size of credit and taxpayer income ranges. In preparing such reports, the commissioner of taxation and finance shall ensure that the statistics are classified in a manner consistent with the secrecy requirements of tax law.

For more information concerning the data provided in this publication, please contact:

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