



Instructions for Forms CT-400 and CT-400-MN

Estimated Tax for Corporations

Who Must File a Declaration of Estimated Tax and Make Quarterly Installment Payments

All general business corporations, banking, insurance, utility and transportation and transmission corporations whose franchise tax, for the current tax year, can reasonably be expected to exceed \$1,000 must file a declaration of estimated franchise tax and make installment payments.

Any corporation doing business in the Metropolitan Commuter Transportation District that is required to make a declaration of estimated franchise tax must also make a declaration of estimated metropolitan transportation business tax (MTA surcharge) and make installment payments.

Estimated tax is the amount estimated to be the franchise tax and MTA surcharge for the current tax year less the amount of estimated allowable tax credits for the current tax year.

Form CT-186-E filers should see Form CT-186-E-I, *Instructions for Form CT-186-E*, for specific information about completing Form CT-400 or Form CT-400-MN.

When to File a Declaration of Estimated Tax

If you determine that the estimated franchise tax will exceed \$1,000 in the current tax year, file a declaration of estimated franchise tax and MTA surcharge on or before the 15th day of the sixth month of your tax year. If you determine, after that filing deadline, that you will have a tax liability of more than \$1,000, see 20 NYCRR 7-2.3.

See the chart on the back of this form if you need to determine your declaration of estimated tax and installment payment due dates.

Amended Declaration of Estimated Tax

If the estimated tax for the current year differs from the previous year's declaration, an amendment to the declaration may be made. This should be done on Form CT-400 and only on the installment due dates. For further information on declarations or estimated tax, see Subparts 7-2 and 7-3 of the regulations.

Payment of Estimated Tax

First installment - If the franchise tax on your previous year's return or the tax shown on your application for extension of time for filing that return is more than \$1,000, you must pay 25% of the tax with the return or extension.

A 25% first installment of the MTA surcharge is also required if your franchise tax is more than \$1,000.

Use Form CT-400 (or Form CT-400-MN) to make your second installment/declaration of estimated tax due on the 15th day of the sixth month of the current tax year. The third and fourth installments are due on the 15th day of the ninth and twelfth months of the current tax year.

Penalties for Underpayment of Estimated Tax

A penalty will be imposed if you fail to file a declaration of estimated franchise tax or fail to pay all or any part of an installment payment of estimated franchise tax.

Exceptions to the Underpayment Penalty

You will not have to pay a penalty if you made all tax payments on time and they equal or exceed the amount that would have been required to be paid by each installment date if the estimated tax were an amount determined under any of the exceptions listed below.

Exceptions 1 and 2 **do not** apply to large corporations. A *large corporation* is one that had, or whose predecessor had, allocated entire net income of at least \$1 million for any of the three taxable years preceding the taxable year involved.

Exception 1: (*not to be used by large corporations*) This exception allows you to substitute for the current year's estimated tax the tax reported on your prior year's return. You must have filed a franchise tax return showing a tax liability for the preceding tax year, and that year must have consisted of 12 months.

Exception 2: (*not to be used by large corporations*) This exception applies if the amount you paid is equal to or more than the tax computed by using the current year's rate but based on the facts shown on the prior year's return and the law that applies to the prior year.

Exception 3: This exception applies if the estimated tax you paid was equal to or more than 91% (or 100% for large corporations) of the amount you would owe if your estimated tax were a tax computed on annualized taxable income for the months preceding an installment date.

You may annualize income as follows:

- For the first 3, 4 or 5 months of the taxable year, in the case of the installment required to be paid in the sixth month.
- For the first 6, 7 or 8 months of the taxable year, in the case of the installment required to be paid in the ninth month.
- For the first 9, 10 or 11 months of the taxable year, in the case of the installment required to be paid in the twelfth month.

To annualize, multiply taxable income for the period by **12** and divide the result by the number of months in the period (3, 4, 5, 6, 7, 8, 9, 10 or 11, as the case may be).

Exception 4: This exception applies if you have recurring seasonal income. Under this exception, you may annualize income by assuming that income earned in the current year is earned in the same seasonal pattern as in the three preceding tax years.

To avoid underpayment penalties, you must make up a reduction in estimated taxes resulting from using annualized income or seasonal income by increasing the amount of the next installment determined under any other exception method by the amount of such reduction.

For additional information about computing seasonal income, see Article 27, section 1085(d) (4).

Specific Instructions

Preprinted version - CT-400

Use the enclosed printed forms to make your declaration of estimated tax and installment payments.

The enclosed estimated tax forms have been printed with your name, address and ID numbers. **Installment** due dates are printed on each Form CT-400. Please use the Form CT-400 with the proper due date for the payment you are making.

Use an enclosed label to mail the voucher with your check. If you do not have a label, mail your check and Form CT-400 to: **NYS Estimated Corporation Tax, PO Box 22109, Albany NY 12201-2109.**

Manual Version - CT-400-MN

Enter in the appropriate spaces provided on the form, your name, address, employer identification number, file number and industry code.

Enter the date your reporting period ends and use the chart on the back to determine your installment due date.

- Box 1. Enter the amount of your installment payment for your franchise tax.
- Box 2. Enter the amount of your installment payment for your metropolitan transportation business tax (MTA surcharge).
- Box 3. Add the amounts in Boxes 1 and 2. Make your check for this amount payable to: **New York State Corporation Tax**. Write your employer identification number on your check.
- Box 4. Enter the amount of your estimated franchise tax for the current tax year.
- Box 5. Enter the amount of your estimated metropolitan transportation business tax (MTA surcharge) for the current tax year.

Mail your check and Form CT-400-MN to: **NYS Estimated Corporation Tax, Processing Unit, PO Box 22109, Albany NY 12201-2109.**

Change of Business Information

If there have been any changes in your business name, identification number, mailing or business address, telephone number, or owner/officer information, complete and mail in Form DTF-95, *Change of Business Information*. If you need Form DTF-95, call 1 800 462-8100. From areas outside the U.S. and Canada, call (518) 485-6800.

Record of Estimated Tax Payments					
Installment Payment Number	Date	Check Number	A Amount	B Overpayment From Last Year	C Total Col. A + Col. B
1*					
2					
3					
4					
Total					

*Paid with prior year tax report or extension

Report and Payment Due Dates Articles 9, 9-A, 32 and 33 Taxpayers

If the due date falls on a Saturday, Sunday or legal holiday, the payment is due on the next business day.

If your year ends on:	Your tax report and first installment are due on:	Subsequent payments and installment payments are due on:		
		Second installment	Third installment	Fourth installment
Jan. 31	Apr. 15	Jul. 15	Oct. 15	Jan. 15
Feb. 28	May 15	Aug. 15	Nov. 15	Feb. 15
Mar. 31	Jun. 15	Sep. 15	Dec. 15	Mar. 15
Apr. 30	Jul. 15	Oct. 15	Jan. 15	Apr. 15
May 31	Aug. 15	Nov. 15	Feb. 15	May 15
Jun. 30	Sep. 15	Dec. 15	Mar. 15	Jun. 15
Jul. 31	Oct. 15	Jan. 15	Apr. 15	Jul. 15
Aug. 31	Nov. 15	Feb. 15	May 15	Aug. 15
Sep. 30	Dec. 15	Mar. 15	Jun. 15	Sep. 15
Oct. 31	Jan. 15	Apr. 15	Jul. 15	Oct. 15
Nov. 30	Feb. 15	May 15	Aug. 15	Nov. 15
Dec. 31	Mar. 15	Jun. 15	Sep. 15	Dec. 15

Note: All Article 9 taxpayers file on a calendar-year basis. Their year ends December 31.

Transportation, transmission and utility corporations **must** file tax returns and declarations of estimated tax based on the calendar year regardless of their federal tax filing period.

Need Help?

Telephone Assistance is available from 8:30 a.m. to 4:25 p.m., Monday through Friday. **For business tax information and forms**, call the Business Tax Information Center at 1 800 972-1233. **For general information**, call toll free 1 800 225-5829. **To order forms and publications**, call toll free 1 800 462-8100. **From areas outside the U.S. and outside Canada**, call (518) 485-6800.

Fax-on-Demand Forms Ordering System - Most forms are available by fax 24 hours a day, 7 days a week. Call toll free from the U.S. and Canada 1 800 748-3676. You must use a Touch Tone phone to order by fax. A fax code is used to identify each form.

Internet Access - <http://www.tax.state.ny.us>
Access our website for forms, publications, and information.

Hotline for the Hearing and Speech Impaired - If you have access to a telecommunications device for the deaf (TDD), you can get answers to your New York State tax questions by calling toll free from the U.S. and Canada 1 800 634-2110. Assistance is available from 8:30 a.m. to 4:15 p.m., Monday through Friday. If you do not own a TDD, check with independent living centers or community action programs to find out where machines are available for public use.

Persons with Disabilities - In compliance with the Americans with Disabilities Act, we will ensure that our lobbies, offices, meeting rooms, and other facilities are accessible to persons with disabilities. If you have questions about special accommodations for persons with disabilities, please call the information numbers listed above.

Mailing Address - If you need to write, address your letter to: NYS Tax Department, Taxpayer Assistance Bureau, W A Harriman Campus, Albany NY 12227.