



# Instructions for Form CT-5.3

## Request for Six-Month Extension to File

Tax Law — Articles 9-A, 32, and 33

### New for 2010

This year the Tax Department introduces new Form CT-1, *Supplement to Corporation Tax Instructions*. Changes for this year and general instructions related to your corporation tax return — previously found in individual return instructions — have been compiled in this single form.

See Form CT-1 for the following topics:

- Changes for the current tax year (general and by Tax Law Article)
- Business information (how to enter and update)
- Entry formats
  - Dates
  - Negative amounts
  - Percentages
  - Whole dollar amounts
- Third-party designee
- Use of reproduced and computerized forms
- Collection of debts from your refund or overpayment
- Fee for payments returned by banks
- Tax shelter penalties
- Voluntary Disclosure and Compliance Program
- Your rights under the Tax Law
- Need help?
- Privacy notification

### Requirements for a valid New York State extension

- You must file Form CT-5.3 and pay the properly estimated combined franchise tax, combined minimum tax on member corporations, and combined MTA surcharge on or before the original due date of the tax return for which this extension is requested, as determined on the worksheet in these instructions.
- The properly estimated combined franchise tax, combined minimum tax on member corporations, and combined MTA surcharge must either:
  - equal or exceed the combined franchise tax, combined minimum tax on member corporations, and combined MTA surcharge shown on your tax return for the preceding tax year (if it was a tax year of 12 months); or
  - equal or exceed 90% of the combined franchise tax, combined minimum tax on member corporations, and combined MTA surcharge as finally determined for the tax year for which this extension is requested (that is, the 90% rule).

The franchise tax is the amount of combined franchise tax computed after the deduction of any tax credits and before the addition of the combined minimum tax on member corporations.

The preceding tax year is the tax year occurring immediately before the tax year for which this extension is requested.

The combined franchise tax, combined minimum tax on member corporations, and combined MTA surcharge for the preceding tax year must be adjusted as necessary to correct errors in computation or in the application of tax rate or tax base.

### Who may file Form CT-5.3

General business corporations (Article 9-A), banking corporations (Article 32), and insurance corporations (Article 33) filing a combined return must file one Form CT-5.3 to request an extension of time to file for all members of the combined group. However, a corporation being added to an existing combined group and all

corporations that are forming a new combined group must each file Form CT-5, *Request for Six-Month Extension to File*. **Do not use separate forms** if you are requesting an extension to file **both** the franchise tax and MTA surcharge returns. Use lines 1 through 8 to compute the estimated combined franchise tax and combined minimum tax. Use lines 9 through 13 to compute the estimated MTA surcharge. Submit only one payment of the combined amount for the franchise tax, minimum tax, MTA surcharge, and mandatory first installments.

### When to file

File Form CT-5.3 on or before the original due date of your combined tax return (2½ months after the end of the tax year).

If you cannot file within the six-month extension period, you may request up to two additional three-month extensions by filing a Form CT-5.1, *Request for Additional Extension of Time to File*, for each additional extension requested.

### Where to file

If you are enclosing a payment with your form, mail to:

**NYS CORPORATION TAX  
PROCESSING UNIT  
PO BOX 22094  
ALBANY NY 12201-2094**

If you are not enclosing a payment or payment is not required, mail to:

**NYS CORPORATION TAX  
PROCESSING UNIT  
PO BOX 22102  
ALBANY NY 12201-2102**

### Private delivery services

If you choose, you may use a private delivery service, instead of the U.S. Postal Service, to mail in your form and tax payment. However, if, at a later date, you need to establish the date you filed or paid your tax, you cannot use the date recorded by a private delivery service **unless** you used a delivery service that has been designated by the U.S. Secretary of the Treasury or the Commissioner of Taxation and Finance. (Currently designated delivery services are listed in Publication 55, *Designated Private Delivery Services*. See *Need help?* for information on obtaining forms and publications.) If you have used a designated private delivery service and need to establish the date you filed your form, contact that private delivery service for instructions on how to obtain written proof of the date your form was given to the delivery service for delivery. If you use **any** private delivery service, whether it is a designated service or not, send the forms covered by these instructions to: State Processing Center, 431C Broadway, Albany NY 12204-4836.

### Extensions of time for filing returns

A six-month extension of time for filing a franchise tax return or MTA surcharge return will be granted if Form CT-5.3 is properly filed and a properly estimated tax is paid on or before the original due date of your return.

If applicable, you must also pay the mandatory first installment of estimated tax for the next tax year shown on lines 5 and 10 on or before the original due date of the tax return.

No late filing or late payment penalties will be imposed if you file your return by the extended due date and pay the balance of the tax due with your return. Interest applies to any tax not paid by the original due date of the return.

## Reporting period

Use this tax form for calendar year 2010 and fiscal years that begin in 2010 and end in 2011.

You can also use the 2010 form if:

- you have a tax year of less than 12 months that begins and ends in 2011, **and**
- the 2011 form is not yet available at the time you are required to file the form.

In this case you must show your 2011 tax year on the 2010 form and take into account any tax law changes that are effective for tax years beginning after December 31, 2010.

All filers must complete the beginning and ending tax year boxes in the upper right corner on page 1 of the form.

## Specific instructions

**Line A** — Make your check or money order payable in United States funds. We will accept a foreign check or foreign money order only if payable through a United States bank or if marked **Payable in U.S. funds**.

**Lines 1, 2, 3, and 9** — Use the worksheet in these instructions to properly estimate the combined franchise tax, combined minimum tax on member corporations, and the combined MTA surcharge.

**Line 5** — Add lines 1 and 2. If that amount exceeds \$1,000, but does not exceed \$100,000, multiply that amount by 25% (.25) and enter the result. If the result of adding lines 1 and 2 exceeds \$100,000, multiply that amount by 40% (.40) and enter the result.

**First installment for life insurance companies:** Life insurance companies must pay a first installment equaling 40% of the preceding year's franchise tax, if the preceding year's franchise tax exceeded \$1,000.

If you are not required to pay a first installment of estimated tax for the next tax year, enter **0** on line 5.

**Note:** If you are subject to the deferral of tax credits, you must calculate any mandatory first installment payment made on or after August 11, 2010, as if the deferral of tax credits was in effect for the tax year upon which your mandatory first installment is based. Therefore, if the amount on line 1 is a result of using Part 1 of the worksheet, then that amount must be recalculated as if the deferral was in effect for the preceding year.

**Line 10** — Add lines 1 and 2. If that amount exceeds \$1,000, but does not exceed \$100,000, multiply the amount on line 9 by 25% (.25) and enter the result. If the result of adding lines 1 and 2 exceeds \$100,000, multiply the amount on line 9 by 40% (.40) and enter the result.

**First installment for life insurance companies:** Life insurance companies must pay a first installment equaling 40% of the previous year's MTA surcharge, if the preceding year's franchise tax exceeded \$1,000.

**Note:** If you are subject to the deferral of tax credits, you must calculate any mandatory first installment payment made on or after August 11, 2010, as if the deferral of tax credits was in effect for the tax year upon which your mandatory first installment is based. Therefore, if the amount on line 1 is a result of using Part 1 of the worksheet, then that amount must be recalculated as if the deferral was in effect for the preceding year.

## Combined filer information

**Lines 15, 16, and 17** — List combined group members and reconcile fixed dollar minimum taxes and prepayments.

This schedule will help the Tax Department identify members of a combined group, short tax years, payments made by the members of the combined group, and the amounts of the individual fixed dollar minimum taxes. Include foreign corporations that are members of the combined group that are not otherwise taxable in New York State. Enter **N/A** in column D for such foreign corporations.

Use Parts 1 and 2 to list members that are subsidiaries in the case of parent-subsidiary groups, or members other than the payor corporation in the case of brother-sister groups. Use Part 3 to list the parent of the parent-subsidiary group or the payor corporation of the brother-sister group.

You must pay a fixed dollar minimum tax for each member listed in Parts 1 and 2, except for foreign corporations that would not otherwise be taxable in New York.

**Part 1 — CT-3-A filers only — member corporations with a fixed dollar minimum tax of more than \$1,000** — List in Part 1 each combined member (subsidiary) with a fixed dollar minimum tax of more than \$1,000. List in Part 2 each combined member (subsidiary) with a fixed dollar minimum tax of \$1,000 or less. This information is used to compute the mandatory first installment of estimated tax for the next tax year. Attach additional sheets if necessary.

**Part 2 — All member corporations with a fixed dollar minimum tax of \$1,000 or less**

**Banking (CT-32-A) and insurance corporations (CT-33-A)**

List all combined group members other than the parent corporation in this section. Attach additional sheets if necessary.

**General business corporations (CT-3-A)** — List all combined group members with fixed dollar minimum taxes of \$1,000 or less (those not listed in Part 1).

**Column A** — Enter the name of each corporation included in the combined group. **Do not** include the parent corporation.

**Column B** — Enter the employer identification number of each corporation listed in column A.

**Column C** — Indicate, for any appropriate corporations, the beginning and ending dates of any tax year of less than 12 months.

**Column D** — Enter the fixed dollar minimum tax for each member of the combined group except a foreign corporation included in the combined group that would not otherwise be taxable in New York State. Enter **N/A** for such foreign corporations.

Columns E, F, and G should be completed for any member corporation that previously filed on a separate basis.

**Column E** — If a combined group member made any installment payments with prior tax returns or prior year extensions or transferred any credits from prior tax returns, enter the total amount on the line for that corporation.

**Column F** — If a combined group member made any installment payments on Form CT-400, *Estimated Tax for Corporations*, enter the total amount on the line for that corporation.

**Column G** — Only one request for extension is required for a combined group. If more than one has been filed, indicate which corporation filed the form and the amount of payments it made, if any.

**Part 3 — Parent or payor corporation only** — enter any prepayments made by the parent or payor corporation (member of the group paying the combined tax).

## Composition of prepayments

If additional space is needed, enter **see attached** in the *Composition of prepayments* section and enter all relevant prepayment information on a separate sheet. Transfer the total(s) to column(s) A and B, line 23.

**Line 20** — Include overpayments credited from prior years. You may also include from last year's return any amount of refundable tax credits you chose to be credited as an overpayment.

## Signature

The document must be certified by the president, vice president, treasurer, assistant treasurer, chief accounting officer, or other officer authorized by the taxpayer corporation.

The document of an association, publicly traded partnership, or business conducted by a trustee or trustees must be signed by a person authorized to act for the association, publicly traded partnership, or business.

If an outside individual or firm prepared the document, all applicable entries in the paid preparer section must be completed, including identification numbers. Failure to sign the document will delay the processing of any refunds and may result in penalties. (For more information on paid preparer identification numbers, see *Changes for 2010* in Form CT-1.)

**Worksheet to compute lines 1, 2, 3, and 9**

Complete Parts 1 and 2. However, if the corporation was not subject to franchise tax for the preceding tax year, or if the preceding tax year was less than 12 months, skip Part 1 and complete only Part 2. (See instructions below.)

**Part 1 - Preceding year (if it was a tax year of 12 months)**

- A. Combined franchise tax from preceding tax year..... \_\_\_\_\_
- B. Combined minimum tax on member corporations with a fixed dollar minimum tax of more than \$1,000 from preceding tax year..... \_\_\_\_\_
- C. Combined minimum tax on member corporations with a fixed dollar minimum tax of \$1,000 or less from preceding tax year..... \_\_\_\_\_
- D. Combined MTA surcharge from preceding tax year..... \_\_\_\_\_

**Part 2 - Current year**

- E. Combined franchise tax estimated to be due for the current tax year ..... \_\_\_\_\_
- F. Combined minimum tax on member corporations with a fixed dollar minimum tax of more than \$1,000 for the current tax year ..... \_\_\_\_\_
- G. Combined minimum tax on member corporations with a fixed dollar minimum tax of \$1,000 or less for the current tax year..... \_\_\_\_\_
- H. Combined MTA surcharge estimated to be due for the current tax year ..... \_\_\_\_\_

Enter on lines 1, 2, 3, and 9, respectively, either:  
 - the combined tax from the preceding year (lines A, B, C, and D, respectively); or  
 - the combined tax from the current year (lines E, F, G, and H, respectively).

Exception: The combination of lines A, B, C, and H may be used on lines 1, 2, 3, and 9 when the corporation filed a 12-month franchise tax return for the preceding tax year, but became subject to the MTA surcharge for the tax year for which this extension is requested.

**Instructions for worksheet**

**Part 1**

**Line A** – Enter the amount of combined franchise tax (computed after the deduction of any credits and before the addition of

the minimum tax on member corporations and MTA surcharge) shown on the combined franchise tax return for the preceding tax year if it was a tax year of 12 months.

**Line B** – Enter the amount of combined minimum tax on member corporations with a fixed dollar minimum tax of more than \$1,000 (computed before the MTA surcharge) included on the combined franchise tax return for the preceding tax year, if it was a tax year of 12 months.

**Line C** – Enter the amount of combined minimum tax on member corporations with a fixed dollar minimum tax of \$1,000 or less (computed before the MTA surcharge) included on the combined franchise tax return for the preceding tax year, if it was a tax year of 12 months.

**Line D** – Enter the amount of combined MTA surcharge shown on the combined MTA surcharge tax return for the preceding tax year, if it was a tax year of 12 months. Enter **0** if you are not subject to the MTA surcharge for the tax year for which this extension is requested.

**Part 2**

**Line E** – Determine the combined franchise tax (computed after the deduction of any tax credits and before the addition of minimum tax on member corporations, or MTA surcharge) for the tax year for which this extension is requested. Multiply the combined franchise tax by an amount not less than 90% and enter on line E (see *Requirements for a valid New York State extension*).

**Line F** – Multiply the amount on line 15, column D, by an amount not less than 90% and enter on line F (see *Requirements for a valid New York State extension*).

**Line G** – Multiply the amount on line 16, column D, by an amount not less than 90% and enter on line G (see *Requirements for a valid New York State extension*).

**Line H** – Determine the combined MTA surcharge for the tax year for which this extension is requested. Multiply the combined MTA surcharge by an amount not less than 90% and enter on line H (see *Requirements for a valid New York State extension*). Enter **0** if not subject to the MTA surcharge for the tax year for which this extension is requested.

**CT-3M/4M filers only** - If the fixed dollar minimum tax applies for the current year and you were not subject to the MTA surcharge for the preceding year, compute the MTA surcharge as follows:

- multiply the fixed dollar minimum by the MCTD allocation percentage of 100%; and
- multiply the result by the MTA surcharge rate of 17% (.17).

See the applicable MTA surcharge return and instructions for information on the computation of the MTA surcharge. It may be necessary to complete the applicable MTA surcharge return to compute the estimated MTA surcharge for the tax year for which this extension is requested.