2001 **CT-604**	New York State Department of Taxation and Finance

CT-604

New York State Department of Taxation and Finance

Claim for QEZE Credit for Real Property Taxes and QEZE Tax Reduction Credit

Tax Law - Sections 15 and 16

2001 calendar-yr. filers, check box: ☐

Other filers enter tax period:

beginning _____

ending _____

Name of corporation	Employer identification number
Name of empire zone	QEZE date of certification *(attach copy of certification)*

File this form with your corporation franchise tax return Form CT-3, CT-3-A, CT-3-S, CT-3-S-A, CT-32, CT-32-A, CT-32-S, CT-33, or CT-33-A.

Schedule A — Eligibility requirements - You must meet an annual employment test to qualify for the QEZE credits covered by this form. If you answer *No* on lines 3 or 6 below, **stop;** You do not qualify for these QEZE credits. If you answer *Yes* on lines 3 and 6 of this form, complete the rest of the form to compute and apply your credits.

Part 1 - EZ employees - Computation of average number of full-time employees within the empire zone (EZ) for the current tax year and the five-year base period.

Current tax year:	March 31	June 30	September 30	December 31	Total
Number of full-time employees within the EZ					

1 Average number of full-time employees within the EZ for the current tax year *(see instructions)* .... **1 ●** _____

Base period number of full-time employees in the EZ	March 31	June 30	September 30	December 31	Total
Number in base year one					
Number in base year two					
Number in base year three					
Number in base year four					
Number in base year five					
Total full-time employees within the EZ in the base period					

2 Average number of full-time employees within the EZ in the base period *(see instructions)* .... **2 ●** _____

3 Does the amount on line 1 equal or exceed line 2? *(see instructions)* .... Yes ☐ No ☐

If the average number of full-time employees within the EZ for the current year does not **equal** or **exceed** the average number of full-time employees within the EZ in the base period, **stop.** You are not eligible for the QEZE credits covered by this form.

Part 2 - New York State employment outside the EZ - Computation of the average number of full-time employees working within New York State and outside the EZ for the current tax year and the five-year base period. *(See instructions.)*

Current tax year	March 31	June 30	September 30	December 31	Total
Number of full-time employees in New York State and outside the EZ					

4 Average number of full-time employees in New York State outside the EZ for the current tax year .... **4 ●** _____

Base period number of full-time employees in New York State and outside the EZ	March 31	June 30	September 30	December 31	Total
Number in base year one					
Number in base year two					
Number in base year three					
Number in base year four					
Number in base year five					
Total non-EZ, full-time employees in New York State in the base period					

5 Average number of full-time employees in New York State and outside the EZ in the base period .... **5** ●

6 Does the amount on line 4 equal or exceed the amount on line 5? *(see instructions)* .... Yes ☐   No ☐

If the average number of full-time employees in New York State and outside the EZ for the current year does not **equal** or **exceed** the average number of full-time employees inside New York State and outside the EZ for the base period, **stop.** You are not eligible for the QEZE credits covered by this form.

Schedule B - Computation of average number of full-time employees in the EZ for the test year

Test year _____ *(mm/yyyy)*	March 31	June 30	September 30	December 31	Total
Number of full-time employees within the EZ					

7 Average number of full-time employees within the EZ for the test year *(see instructions)* .... **7** ●

Schedule C - Employment increase factor *(see instructions)*

8 Average number of full-time employees in the EZ for the current tax year *(from line 1)*	**8**	
9 Average number of full-time employees in the EZ for the test year *(from line 7)*	**9**	
10 Subtract line 9 from line 8	**10**	
11 Divide line 10 by line 9 .... **11**		
12 Divide line 10 by 100 .... **12**		
13 Employment increase factor *(enter the greater of line 11 or 12; also enter on lines 21 and 34)*	**13**	

Schedule D - Zone-allocation factor *(see instructions)*

	Column A EZ	Column B New York State
14 Average value of property *(see instructions)* **14**		
15 EZ property factor *(divide line 14, column A, by line 14, column B; enter as a decimal)*	**15**	
16 Wages and other compensation of employees *(except general executive officers)* ... **16**		
17 EZ payroll factor *(divide line 16, column A, by line 16, column B)*	**17**	
18 Total EZ factors *(add lines 15 and 17)*	**18**	
19 Zone allocation factor *(divide line 18 by two, or by the number of factors; enter here and on line 35)*	**19**	

Schedule E, Part 1 - QEZE credit for real property taxes computation

20 Tax year of the benefit period_____; benefit period factor *(from table on page 3)*	**20**	
21 Employment increase factor *(from line 13)*	**21**	
22 Eligible real property taxes *(see instructions)*	**22**	
23 **QEZE credit for real property taxes** *(multiply line 20 x line 21 x line 22; New York S corporations transfer this amount to Form CT-34-SH)*	**23** ●	

Schedule E, Part 2 - QEZE credit for real property taxes - application *(New York S corporations do not complete Schedule E, Part 2)*

24 Enter your franchise tax from Form CT-3, line 78; Form CT-3-A, line 77; Form CT-32, line 5; Form CT-32-A, line 5; Form CT-33, line 11; or Form CT-33-A, line 16	**24**	
25 Tax credits claimed before the QEZE credit for real property taxes *(if you are applying multiple credits on your franchise return, see instructions)*	**25**	
26 Subtract line 25 from line 24	**26**	
27 **Article 9-A filers** – enter the higher of the tax on the minimum taxable income base or the fixed dollar minimum; **Article 32 or 33 filers** – enter $250.00	**27**	
28 Subtract line 27 from line 26 *(if less than 0, enter "0"; this is your credit limitation)*	**28**	
29 Credit to be used this period *(enter the smaller of line 28 or line 23; transfer this amount to your franchise tax return)*	**29** ●	
30 Unused credit for real property taxes *(subtract line 29 from line 23)*	**30** ●	
31 Amount of unused credit to be refunded	**31** ●	
32 Amount of unused, non-refunded credit to be applied as an overpayment to the next tax period *(see instructions)*	**32** ●	

Schedule F, Part 1 - QEZE tax reduction credit computation *(New York S corporations do not complete Schedule F, Part 1)*

33 Tax year of the benefit period _____; benefit period factor *(from table below)*	**33**	
34 Employment increase factor *(from line 13)*	**34**	
35 Zone allocation factor *(from line 19)*	**35**	
36 Tax factor *(see instructions)*	**36**	
37 Tax reduction credit *(multiply line 33 x line 34 x line 35 x line 36)*	**37**	

Schedule F, Part 2 - QEZE tax reduction credit application *(New York S corporations do not complete Schedule F, Part 2)*

38 Enter your franchise tax from Form CT-3, line 78; Form CT-3A, line 77; Form CT-32, line 5; Form CT-32-A, line 5; Form CT-33, line 11; or Form CT-33-A, line 16	**38**	
39 Tax credits claimed before the QEZE tax reduction credit *(if you are applying multiple credits on your franchise return, see instructions)*	**39**	
40 Subtract line 39 from line 38	**40**	
41 **Article 9-A filers –** If the percentage on line 19 equals 100%, enter "0." If line 19 is less than 100%, enter your fixed dollar minimum tax; **Article 32 and 33 filers –** enter $250	**41**	
42 Subtract line 41 from line 40 *(this is your credit limitation)*	**42**	
43 Enter the smaller of line 42 or line 37; transfer this amount to your franchise tax return	**43**	

Benefit period factor table*	
Tax year of the benefit period	Benefit period factor
1 - 10	1.0
11	.8
12	.6
13	.4
14	.2
15	0

*The QEZE credit for real property taxes and the QEZE tax reduction credit are generally available for up to 14 years for taxpayers that continue to qualify. The benefit period begins with the next tax year following your test year. The test year is your last tax year ending on or before your test date (later of 7/1/2000, or date of certification prior to 7/1/2005). However, if your test date falls within the year 2000, the benefit period starts in the second year following the test year.

Find the tax year of your benefit period. Enter the benefit period factor for that year (from the table above) on lines 20 and 33.