



Employer Compensation Expense Program Wage Credit

Tax Law – Section 606(ccc)

IT-226

Submit this form with Form IT-201 or Form IT-203.

Your name as shown on return	Your Social Security number
Spouse's name as shown on return	Spouse's Social Security number

Schedule A – Electing employer and covered employee wage information

A Covered employee Social Security number	B Electing employer name	C Electing employer identification number	D Wages and compensation (see instructions)	E Credit base (column D - \$40,000; see instr.)
				.00
				.00
				.00
				.00
				.00
				.00
Total of column E amounts from additional sheets, if any00
1 Total (add column E amounts)				1

Schedule B – Computation of total credit

2 Multiply line 1 by 5% (.05)	2	.00
3 New York State tax due before credits (see instructions)	3	.00
4 New York State taxable income (Form IT-201, line 38 or Form IT-203, line 37)	4	.00
5 Divide line 3 by line 4 (round to the fourth decimal place)	5	
6 Multiply line 2 by line 5	6	.00
7 Current year credit (subtract line 6 from line 2)	7	.00

Schedule C – Application of credit and computation of carryover

8 Enter the carryover credit from last year's Form IT-226, line 14	8	.00
9 Total credit (add lines 7 and 8)	9	.00
10 Tax due before credits (see instructions)	10	.00
11 Credits applied against the tax before this credit (see instructions)	11	.00
12 Net tax (subtract line 11 from line 10)	12	.00
13 Amount applied against this year's tax (enter the amount from line 9 or line 12, whichever is less; see instructions)	13	.00
14 Amount of credit available for carryover to next year (subtract line 13 from line 9)	14	.00



Instructions

General information

If you worked for an employer who elected to participate in the Employer Compensation Expense Program (ECEP) and your wages and compensation for the year exceeded \$40,000, you may be entitled to claim an ECEP wage credit beginning with tax year 2019.

Note: You must file Form IT-226 in every year you are claiming a credit on current year wages and compensation and in every year that you are claiming a credit carryforward from a prior tax year. If you are claiming a credit carryforward **only**, go directly to Schedule C, line 8.

Employers who have elected to participate in ECEP, otherwise referred to as an electing employer, should inform you that they opted into the program and provide you with information regarding the program.

How to claim the credit

To claim the ECEP wage credit, complete Form IT-226 using information from your New York State personal income tax return, Form IT-201, *Resident Income Tax Return*, or Form IT-203, *Nonresident and Part-Year Resident Income Tax Return*. You must file Form IT-226 with your New York State personal income tax return.

If the available ECEP wage credit reduces your New York State tax due to zero and you have an amount of unused ECEP wage credit available, you may carry the unused credit forward into future years.

Line instructions

See the instructions for your tax return for the *Privacy notification* or if you need help contacting the Tax Department.

Schedule A – Electing employer and covered employee wage information

Columns A and B

Use a separate line for each covered employee/electing employer combination, even if both spouses worked for the same electing employer.

Column D

Form IT-201 filers: Enter your wages and compensation (as included on Form IT-201, line 1) received from each electing employer. Use a separate line for each electing employer. Do **not** include any wages that were received from a non-electing employer.

Form IT-203 filers: Enter your wages and compensation (as included on Form IT-203, New York State amount column, line 1) received from each electing employer. Use a separate line for each electing employer. Do **not** include any wages that were received from a non-electing employer.

Additional sheets – If you have more entries than will fit on the lines provided in Schedule A, attach additional sheets in the same format as the schedule. Include your name and Social Security number on each sheet and submit them with Form IT-226 and your return.

Column E

Subtract \$40,000 from each column D amount and enter the result in column E.

Schedule B – Computation of total credit

Line 3

Form IT-201 filers: Enter the amount from Form IT-201, line 39.

Form IT-203 filers: Multiply the amount from Form IT-203, line 38, by the percentage from Form IT-203, line 45, and enter the result on line 3.

Schedule C – Application of credit and computation of carryover

Line 10

Form IT-201 filers: Enter the tax from Form IT-201, line 39, **plus** any amount from IT-201-ATT, line 21.

Form IT-203 filers: Enter the tax from Form IT-203, line 46, **plus** any amount from Form IT-203-ATT, line 20.

Line 11

If you are applying any credits against your tax due before this credit, enter the total amount of credits here.

When applying credits, use the following rules:

- First apply any household credit.
- Next apply any credits that cannot be carried over or refunded.
- Then apply any credits that can be carried over for a limited duration.
- Then apply any credits that can be carried over for an unlimited duration.
- Apply refundable credits last.

Line 13

Enter this amount and code **226** on Form IT-201-ATT, line 6; or Form IT-203-ATT, line 7.

