



Instructions for Form CT-5.4

Request for Six-Month Extension to File New York S Corporation Franchise Tax Return

Form CT-1, Supplement to Corporation Tax Instructions

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
- Paid preparer identification numbers
- Is your return in processible form?
- Use of reproduced and computerized forms
- Electronic filing and electronic payment mandate
- Web File
- Form CT-200-V
- Collection of debts from your refund or overpayment
- Fee for payments returned by banks
- Reporting requirements for tax shelters
- Tax shelter penalties
- Voluntary Disclosure and Compliance Program
- Your rights under the Tax Law
- Need help?
- Privacy notification

General information

Requirements for a valid New York State extension

- Most corporation taxpayers are required to file their extensions electronically. Visit our Web site to learn more (see *Need help?*).
- You must file Form CT-5.4 and pay the properly estimated franchise tax on or before the original due date of the tax return for which this extension is requested.
- The properly estimated franchise tax must either:
 - equal or exceed the franchise tax shown on your tax return for the preceding tax year (if the preceding tax year was a tax year of 12 months); **or**
 - equal or exceed 90% of the franchise tax as finally determined for the tax year for which this extension is requested (this is the 90% rule).

The *franchise tax* is the amount of franchise tax computed after the deduction of any tax credits.

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

The franchise tax 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.

Extensions of time for filing returns

A six-month extension of time for filing a franchise tax return will be granted if Form CT-5.4 is properly filed and the properly estimated tax is paid on or before the original due date of the 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. A New York S corporation shareholder penalty may be imposed if the return is filed after the due date or valid extended due date, regardless if the tax is paid on time.

If applicable, you must also pay the mandatory first installment of estimated tax for the next tax year shown on line 2 on or before the original due date of the tax return.

Who may file Form CT-5.4

A general business corporation (Article 9-A) that has elected to be a New York S corporation by filing Form CT-6, *Election by a Federal S Corporation to be Treated As a New York S Corporation*, or that is a federal S corporation that has not made the New York S election but meets the requirements of Tax Law, Article 22, section 660(i) (and is therefore deemed to be a New York S corporation) must file Form CT-5.4 to request a six-month extension of time to file Form CT-3-S, *New York S Corporation Franchise Tax Return*. A banking corporation (Article 32) that has elected to be a New York S corporation by filing Form CT-6 must file Form CT-5.4 to request one six-month extension of time to file Form CT-32-S, *New York Bank S Corporation Franchise Tax Return*. Additional extensions beyond six months will not be granted to New York S corporations.

When to file

File Form CT-5.4 on or before the due date of your tax return (2½ months following the end of the tax year).

Where to file

If you have enclosed payment, mail to:

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

If you have not enclosed payment, 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.

Employer identification number, file number, and other identifying information

For us to process your corporation tax forms, it is important that we have the necessary identifying information. Keep a record of that information and include it on each corporation tax form mailed.

If you use a paid preparer or accounting firm, make sure they use your complete and accurate identifying information when completing all forms.

Reporting period

Use this tax form for calendar year 2011 and fiscal years that begin in 2011 and end in 2012.

You can also use the 2011 form if:

- you have a tax year of less than 12 months that begins and ends in 2012, **and**
- the 2012 form is not yet available at the time you are required to file the form.

In this case you must show your 2012 tax year on the 2011 form and take into account any tax law changes that are effective for tax years beginning after December 31, 2011.

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

Line 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**.

Line 1 - To determine the properly estimated tax, enter the amount determined under (a) or (b) below. However, if your S corporation was not subject to tax for the preceding tax year, or if the preceding tax year was less than 12 months, skip (a) and use the amount determined under (b).

- (a) 100% of the franchise tax (computed after the deduction of any special additional mortgage recording tax credit) shown on your franchise tax return for the preceding year if it was a tax year of 12 months. Do not include any tax amount of a qualified subchapter S subsidiary (QSSS) that previously filed a separate franchise tax return.
- (b) Determine the estimated franchise tax (computed after the deduction of any special additional mortgage recording tax credit) for the tax year for which this extension is requested. If you are the parent of a QSSS, include all items of income, deduction, and other economic activity related to the QSSS, but only if the QSSS is to be included on your tax return (you have attached a Form CT-60-QSSS, *Qualified Subchapter S Subsidiary Information Schedule*). Multiply the estimated franchise tax by an amount not less than 90%.

Line 2 - If the total franchise tax on line 1 exceeds \$1,000, you must pay a first installment of estimated tax for the next tax year. Multiply the amount on line 1 by 25% (.25) and enter the result on line 2.

If you are not required to pay the first installment of estimated tax for the next tax year, enter **0** on line 2.

Line 8 - Enter 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

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