

Income/Franchise:

New York Department of Taxation and Finance Adopts New Article 9-A Rules Addressing 2014-2015 and 2015-2016 Budget Reforms

Repeal of preexisting 20 NYCRR Subchapter A, Parts 1 through 9, the Business Corporation Franchise Tax, and Adoption of New 20 NYCRR Subchapter A, Parts 1 through 9; Repeal of preexisting 20 NYCRR Subchapter B, the Franchise Tax on Banking Corporations Regulations; and Adopted Amendments to 20 NYCRR Subchapter C, the Franchise Taxes on Insurance Corporations, N.Y. Dept. of Tax. & Fin. (12/18/23); *Notice of Adoption*, N.Y. Dept. of Tax. & Fin. (12/27/23). The New York State Department of Taxation and Finance (Department) adopted regulatory amendments to amend the Article 9-A Business Corporation Franchise Tax Regulations to incorporate the changes made by the corporate tax reform legislation contained in the 2014-2015 and 2015-2016 enacted New York State Budgets. Specifically, the adopted amendments reflect changes to New York's Business Corporation Franchise Tax Regulations and Franchise Taxes on Insurance Corporations Regulations and repeal the preexisting Franchise Tax on Banking Corporations Regulations. In the Department's accompanying "Assessment of Public Comment," it states that these adopted rules generally apply to taxable years beginning on or after January 1, 2015; however, "based on a totality of the circumstances," it may choose *not* to apply penalties in cases where taxpayers took a position in their tax filings prior to adoption of the proposed rules in reliance upon prior Article 9-A regulations or prior drafts of the proposed rules.

URL: <https://www.tax.ny.gov/rulemaker/adoptions/corp/2023.htm#om121123>

URL: <https://dos.ny.gov/system/files/documents/2023/12/122723.pdf>

See recently issued Multistate Tax Alert for more details on these adopted rules [also, see previously issued Multistate Tax Alert for details on these rules as formally proposed in August 2023], and please contact us with any questions.

URL: <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/Tax/us-tax-multistate-tax-alert-new-york-corporate-income-tax-regulations.pdf>

URL: <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/Tax/us-tax-multistate-tax-alert-new-york-formally-proposes-corporate-income-tax-regulations.pdf>

— Don Roveto (New York)
Partner
Deloitte Tax LLP
droveto@deloitte.com

Jack Trachtenberg (New York)
Principal
Deloitte Tax LLP
jtrachtenberg@deloitte.com

Mary Jo Brady (Jericho)
Senior Manager
Deloitte Tax LLP
mabrady@deloitte.com

Ken Jewell (New York)
Managing Director
Deloitte Tax LLP
kjewell@deloitte.com

Jeremy Sharp (Washington, DC)
Senior Manager
Deloitte Tax LLP
jesharp@deloitte.com

Josh Ridiker (New York)
Senior Manager
Deloitte Tax LLP
jridiker@deloitte.com

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