Department of Taxation and Finance

Claim for QEZE Credit for Real Property Taxes

CT-606

2024

Tax Law - Section 15

Note: You must **file all pages** (1 through 8) with your return. **All taxpayers must complete the information below** and then complete **either** Section 1 (pages 1 through 3) **or** Section 2 (pages 5 through 8). Do not complete both sections.

All filers must enter tax period: beginning _____ ending _____

Legal name of corporation	Employer identification number (EIN)
● Name of empire zone(s)	

File this form with Form CT-3, CT-3-A, or CT-3-S.

Mark an X in the appropriate box when answering Yes or No questions.

Are you a clean energy enterprise (CEE)?... Yes ● ☐ No ● ☐

Are you a QEZE first certified between August 1, 2002 and March 31, 2005, that conducts its operations on real property it owns or leases that is located in an empire zone (EZ) and that is subject to a BCA executed prior to January 1, 2006? .... Yes ● ☐ No ● ☐

Section 1 – For QEZEs first certified prior to April 1, 2005 *(see Important information in the instructions)*

Date of first certification by Empire State Development *(mm-dd-yy; attach copies of all certificates of eligibility, including retention certificates)* .... ● _____

Schedule A – Employment test for QEZEs first certified prior to April 1, 2005 *(see instructions)*

Part 1 – EZ employment – Computation of the employment number within all EZs for the current tax year and in the five-year base period: Include employees within all EZs even if you are not certified in all of those zones *(see instructions)*.

Current tax year employment number		March 31	June 30	September 30	December 31	Total
Number of full-time employees within all EZs						
1 Current tax year employment number within all EZs *(do not round; see instructions)* .... ●	**1**					

Base period employment number	Tax year ending *(mm-yy)*	March 31	June 30	September 30	December 31	Total
a	Number in base year 1					
b	Number in base year 2					
c	Number in base year 3					
d	Number in base year 4					
e	Number in base year 5					
f	Total number of full-time employees within all EZs in the base period					

2 Base period employment number within all EZs *(do not round; see instructions)* .... ● **2** _____

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

Part 2 – New York State employment outside all EZs – Computation of the employment number inside New York State and outside all EZs (whether or not you are certified in all of those EZs) for the current tax year and in the five-year base period *(see instructions)*

Current tax year employment number		March 31	June 30	September 30	December 31	Total
Number of full-time employees inside New York State and outside all EZs						
4 Current tax year employment number inside New York State and outside all EZs *(do not round)* ...... ●	**4**					

Base period employment number	Tax year ending *(mm-yy)*	March 31	June 30	September 30	December 31	Total
a	Number in base year 1					
b	Number in base year 2					
c	Number in base year 3					
d	Number in base year 4					
e	Number in base year 5					
f	Total number of full-time employees inside New York State and outside all EZs in the base period					

5 Base period employment number inside New York State and outside all EZs *(do not round)*............. ● **5** _____

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

Schedule B – Computation of test year employment number within the EZs in which you are certified

Test year _____ to _____ *(mm-yy)*	March 31	June 30	September 30	December 31	Total
Number of full-time employees within the EZs					

7 Test year employment number within the EZs in which you are certified *(see instructions; also enter on line 9)* ●	**7**		

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

8 Current tax year employment number within the EZs in which you are certified *(see instructions)* .... ●	**8**		
9 Test year employment number within the EZs in which you are certified *(from line 7)*	**9**		
10 Subtract line 9 from line 8 .... ●	**10**		
11 Divide line 10 by line 9 *(carry result to four decimal places; if line 9 is zero and line 8 is greater than zero, enter **1.0** here)* .... ●	**11**		
12 Divide line 10 by 100 *(carry result to four decimal places)* .... ●	**12**		
13 Employment increase factor *(enter the greater of line 11 or 12, but not more than 1.0; also enter on line 15)* ..... ●	**13**		

Schedule D – Computation of QEZE credit for real property taxes for QEZEs first certified prior to April 1, 2005

14 Tax year of the business tax benefit period _____ ; benefit period factor *(from table below)* .... ●	**14**		
15 Employment increase factor *(from line 13)*	**15**		
16 Eligible real property taxes *(see instructions)* .... ●	**16**		
17 QEZE credit for real property taxes *(multiply line 14 by line 15 by line 16)* .... ●	**17**		
18 Recapture of QEZE credit for real property taxes *(from Worksheet A on page 5 of instructions)* .... ●	**18**		
19 QEZE credit for real property taxes after recapture *(subtract line 18 from line 17; see instructions)* .... ●	**19**		
20 QEZE credit for real property taxes limitation *(see instructions, do not enter zero)* .... ●	**20**		
21 QEZE credit for real property taxes allowed *(see instructions)* .... ●	**21**		

Benefit period factor table*			
Tax year of benefit period	Benefit period factor**	Tax year of benefit period	Benefit period factor**
1 - 10	1.0	13	0.4
11	0.8	14	0.2
12	0.6	15	0.0

* The QEZE credit for real property taxes is generally available for up to 14 years for taxpayers that continue to qualify.

** For an owner of a qualified investment project or a significant capital investment project, the benefit period factor will be 1.0 during the entire business tax benefit period.

Find the tax year of your business tax benefit period (enter a number from 1 to 15 for your benefit period). Enter the benefit period factor for that year (from *Benefit period factor table*) on line 14.

(continued)

Schedule E – Application of QEZE credit for real property taxes *(New York S corporations do not complete Schedule E)*

22	Enter your franchise tax *(see instructions)*	22	
23	Tax credits claimed before the QEZE credit for real property taxes *(if applying multiple credits on your franchise tax return, see instructions)* .... ●	23	
24	Subtract line 23 from line 22..	24	
25	Enter appropriate tax: Enter the fixed dollar minimum tax from Form CT-3 or the designated agent's fixed dollar minimum tax from Form CT-3-A	25	
26	Credit limitation *(subtract line 25 from line 24; if less than zero, enter 0)* .... ●	26	
27	QEZE credit for real property taxes to be used this period *(see instructions)* .... ●	27	
28	Unused QEZE credit for real property taxes *(subtract line 27 from line 21)* .... ●	28	
29	Amount of unused credit on line 28 to be refunded *(see instructions)* .... ●	29	
30	Amount of unused, nonrefunded credit to be credited as an overpayment to next year's tax *(subtract line 29 from line 28; see instructions)* .... ●	30	

Schedule F – Related entities

List the names and EINs of any related business entities. Attach additional sheets if necessary.
See *Related persons* on page 1 of the instructions to determine if an entity is related.

Name	EIN

Schedule G – Valid business purpose for QEZEs first certified prior to August 1, 2002 *(see instructions)*

If you are claiming that the QEZE was formed for a valid business purpose, mark an *X* in the box and attach a notarized statement describing in detail how your QEZE meets the valid business purpose test. .... ● ☐

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Section 2 begins on page 5.

Claim for QEZE Credit for Real Property Taxes

Section 2 – For QEZEs first certified on or after April 1, 2005 *(see Important information in the instructions)*

Note: You must **file all pages** (1 through 8) with your return. **All taxpayers must complete the information above Section 1 on page 1** and then complete **either** Section 1 (pages 1 through 3) **or** Section 2 (pages 5 through 8). Do not complete both sections.

All filers must enter tax period: beginning [   ] ending [   ]

Legal name of corporation	Employer identification number (EIN)

● Name of empire zone(s): Indicate whether each zone is a development zone (DZ) or investment zone (IZ) *(attach additional sheets if necessary).*

File this form with Form CT-3, CT-3-A, or CT-3-S.

Date of first certification by Empire State Development *(mm-dd-yy; attach copies of all certificates of eligibility, including retention certificates)* .... ● [   ]

Year of the business tax benefit period *(see instructions)*... [   ]

Schedule H – Employment test for QEZEs first certified on or after April 1, 2005 *(see instructions)*

Part 1 – EZ employment – Computation of the employment number within all EZs for the current tax year and in the four-year base period: Include employees within all EZs even if you are not certified in all of those zones *(see instructions).*

Current tax year employment number	March 31	June 30	September 30	December 31	Total
Number of full-time employees within all EZs					

31 Current tax year employment number within all EZs *(do not round; see instructions)* .... ● **31** [   ]

Base period employment number	Tax year ending (mm-yy)	March 31	June 30	September 30	December 31	Total
a	Number in base year 1					
b	Number in base year 2					
c	Number in base year 3					
d	Number in base year 4					
e	Total number of full-time employees within all EZs in the base period					

32 Base period employment number within all EZs *(do not round; see instructions)* .... ● **32** [   ]

33 Does the amount on line 31 **exceed** the amount on line 32? *(see instructions)* .... **33** Yes [ ] No [ ]

Part 2 – New York State employment – Computation of the employment number inside New York State for the current tax year and in the four-year base period *(see instructions)*

Current tax year employment number	March 31	June 30	September 30	December 31	Total
Number of full-time employees in New York State					

34 Current tax year employment number in New York State *(do not round)* .... ● **34** [   ]

Base period employment number	Tax year ending (mm-yy)	March 31	June 30	September 30	December 31	Total
a	Number in base year 1					
b	Number in base year 2					
c	Number in base year 3					
d	Number in base year 4					
e	Total number of full-time employees in New York State in the base period..					

35 Base period employment number in New York State *(do not round)*.. ● **35** [   ]

36 Does the amount on line 34 **exceed** the amount on line 35? *(see instructions)* .... **36** Yes [ ] No [ ]

Schedule I – Computation of net new employment

37	Current year employment number in the EZs in which you are certified *(see instructions)* .... ●	**37**	
38	Base period employment number in the EZs in which you are certified *(see instructions)* .... ●	**38**	
39	Net new employment number *(subtract line 38 from 37)* .... ●	**39**	

Schedule J – DZ employment increase factor *(Complete Schedule J if you are certified in one or more zones and any of these zones is a DZ, and you are not a manufacturer.)*

Net new employees (from line 39)	DZ employment increase factor
1 to 10	0.25
11 to 49	0.50
50 to 75	0.75
76 and above	New employees (from line 39) divided by 100. This number cannot exceed 1.0

40	DZ employment increase factor from table above .... ●	**40**	

Schedule K – Employee information

Enter name, Social Security number, employee's zone location and wage and benefit information for all new employees included in the net new employment number on line 39 upon which this claim is based. Attach additional forms if necessary.

A Employee's name	B Employee's Social Security number	C Employee's zone location *(see instructions)*	D Total wages, health benefits, and retirement benefits	E Eligible wages, health benefits, and retirement benefits included in column D *(enter no more than $40,000 per employee)*

Total of column E amounts from any additional Forms CT-606			
41 Total eligible wages, health benefits, and retirement benefits *(add column E amounts; see instructions)* ... ●	**41**		

(continued)

Schedule L – Computation of credit for QEZEs certified in DZs *(see instructions)*

42	Eligible wages, health benefits, and retirement benefits from line 41	42	
43	25% (0.25) factor..	43	.25
44	DZ employment increase factor from line 40	44	
45	QEZE credit for real property taxes for QEZEs certified in DZs *(multiply line 42 by line 43 by line 44)*........ ●	45	

Schedule M – Computation of QEZE credit for real property taxes for manufacturers and QEZEs certified only in an IZ *(see instructions)*

46	Eligible wages, health benefits, and retirement benefits from line 41	46	
47	25% (0.25) factor..	47	.25
48	QEZE credit for real property taxes *(multiply line 46 by line 47)*.. ●	48	

Schedule N – QEZE credit for real property taxes

49	QEZE credit from line 45 or line 48... ●	49	
50	Capital investment amount *(from line 65 or 66)* .... ●	50	
51	Enter the greater of line 49 or line 50.. ●	51	
52	Eligible real property taxes *(attach documentation)* .... ●	52	
53a	Enter the lesser of line 51 or line 52... ●	53a	
53b	If certified on or after April 1, 2009, multiply line 53a by 75% (0.75) and enter the result. If certified prior to April 1, 2009, make no entry... ●	53b	
54	Recapture of QEZE credit for real property taxes *(see instructions)* .... ●	54	
55	QEZE credit for real property taxes after recapture *(subtract line 54 from line 53a or 53b; see instructions)* ●	55	

Schedule O – Application of QEZE credit for real property taxes *(New York S corporations do not complete Schedule O)*

56	Enter your franchise tax *(see instructions)*...	56	
57	Tax credits claimed before the QEZE credit for real property taxes *(if applying multiple credits on your franchise tax return, see instructions)* .... ●	57	
58	Subtract line 57 from line 56	58	
59	Enter appropriate tax: Enter the fixed dollar minimum tax from Form CT-3 or the designated agent's fixed dollar minimum tax from Form CT-3-A	59	
60	Credit limitation *(subtract line 59 from line 58; if less than zero, enter 0)* .... ●	60	
61	QEZE credit for real property taxes to be used this period *(see instructions)*.................................... ●	61	
62	Unused QEZE credit for real property taxes *(subtract line 61 from line 55)*.......................... ●	62	
63	Amount of unused credit on line 62 to be refunded *(see instructions)* .... ●	63	
64	Amount of unused, nonrefunded credit to be credited as an overpayment to next year's tax *(subtract line 63 from line 62; see instructions)* .... ●	64	

(continued)

Schedule P – Related entities

List the names and EINs of any related business entities. Attach additional sheets if necessary.
See *Related persons* on page 1 of the instructions to determine if an entity is related.

Name	EIN

Schedule Q – Capital investment amount *(complete only Part 1 or Part 2; see instructions)*

Part 1 – Capital investment amount for QEZEs certified in DZs

A Address of property	**B** Name of zone *(if applicable)*	**C** Cost or other basis attributable to construction, expansion, or rehabilitation of property *(see instructions)*	**D** Multiply column C by 10% (0.1)	**E** Percentage of physical occupancy and use *(see instructions)*	**F** Multiply column D by column E

Total of column F amounts from any additional Forms CT-606 ....

65 Total *(add column F amounts; enter here and on line 50; see instructions)* .... ● **65**

Part 2 – Capital investment amount for QEZEs certified only in IZs or for manufacturers *(see instructions)*

A Address of property	**B** Name of zone *(if applicable)*	**C** Cost or other basis *(see instructions)*	**D** Multiply column C by 10% (0.1)	**E** Percentage of physical occupancy and use *(see instructions)*	**F** Percentage of column C attributable to construction, rehabilitation, or expansion of the building *(if 50% or more enter 100%)*	**G** Multiply column D by the greater of column E or column F

Total of column G amounts from any additional Forms CT-606 ....

66 Total *(add column G amounts; enter here and on line 50; see instructions)* .... ● **66**

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