



# Application for Exemption From Corporate Franchise Taxes By a Not-for-Profit Organization

|                                  |                                 |  |
|----------------------------------|---------------------------------|--|
| Name                             | Employer identification number  | <i>For office use only</i>                                       |
| Number and street                | Principal business activity     | <i>For audit use only</i>  |
| City or town, state and ZIP code | Date tax exemption claimed from | <input type="checkbox"/> Taxable <input type="checkbox"/> Exempt |

Form of organization     Corporation     Association     Trust     Other \_\_\_\_\_

Date of formation \_\_\_\_\_ State or country of incorporation \_\_\_\_\_

Indicate exact name of the law under which the entity was formed (general corporation, not-for-profit, membership, etc.). Cite statutory provisions.

Federal return filed on     990     990T     1120     Other \_\_\_\_\_

- 1 Is the entity organized and operated as a not-for-profit organization? .....  Yes  No
- 2 Is the entity authorized to issue capital stock? .....  Yes  No
- 3 Does any part of the net earnings of the organization benefit any director, member, or individual? .....  Yes  No
- 4 Is the entity exempt from federal income tax? (*see instructions on back*) .....  Yes  No  
 If yes, indicate date of exemption. \_\_\_\_\_ Submit a copy of the federal exemption letter when filing this form.  
 If no, indicate reason why exemption disallowed. \_\_\_\_\_

5 Is the entity engaged in an unrelated business activity at a location in New York State? .....  Yes  No

6 List location and type of activity for each office and other places of business (*attach separate sheet if necessary*).

| Location | Nature of activity |
|----------|--------------------|
|          |                    |
|          |                    |
|          |                    |

7 List officers, employees, agents and representatives in New York State and briefly describe their duties (*attach separate sheet if necessary*).

| Name | Title | Duties |
|------|-------|--------|
|      |       |        |
|      |       |        |
|      |       |        |

8 List type and use of real property owned in New York State (*attach separate sheet if necessary*).

| Type | How used |
|------|----------|
|      |          |
|      |          |
|      |          |

9 Describe any New York State activities not shown above (*attach separate sheet if necessary*).

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**Certification by an Elected Officer.** I certify that this application and any attachments are to the best of my knowledge and belief true, correct and complete.

|      |                      |                |
|------|----------------------|----------------|
| Date | Signature of officer | Official title |
|------|----------------------|----------------|

## CT-247 Instructions

Certain not-for-profit and religious corporations are exempt from Article 9-A tax (section 1-3.4(b)(6) of the Article 9-A regulations).

Generally, a corporation or an organization treated as a corporation must meet **all** of the following requirements to be tax exempt:

- It must be organized and operated as a not-for-profit organization;
- it must not have stock, shares, or certificates for stock or for shares;
- no part of the net earnings may benefit any officer, director, or member; and
- it must be exempt from federal income taxation pursuant to subsection (a) of section 501 of the Internal Revenue Code (IRC).

If the organization meets all of the above criteria, it will be presumed to be exempt from tax under Article 9-A of the Tax Law. An organization denied exemption from taxation under the IRC will be presumed to be subject to tax under Article 9-A of the Tax Law. Not-for-profit corporations that issue stock are taxable under Article 9-A.

However, for taxable years beginning on or after January 1, 1987, title holding companies as described in IRC section 501(c)(2) and collective investment entities as described in IRC section 501(c)(25) will be exempt from tax under Article 9-A. For additional information, see Technical Service Bureau Memorandum TSB-M-87(9)C.

Not-for-profit, nonstock organizations that are subject to the federal tax on unrelated business income are taxable under Article 13 of the New York State Tax Law if those unrelated business activities are pursued in New York State. File Form CT-13 to report those activities.

Organizations required to file federal Form 1120 may be taxable under Article 9-A of the Tax Law and may be required to file Form CT-3 or Form CT-4.

Submit **all** documents granting or denying exemption from tax by the Internal Revenue Service when filing Form CT-247. Any changes in federal tax status must be promptly reported to the Department of Taxation and Finance.

Any exemption granted by the filing of Form CT-247 is strictly for New York State corporation franchise tax.

**Mail to:**

NYS Tax Department  
Corporation Tax  
Building 9, Room 408  
W. A. Harriman Campus  
Albany, NY 12227