New York State Department of Taxation and Finance

Instructions for Form CT-3-B

Tax-Exempt Domestic International Sales Corporation (DISC) Information Return

Tax Law — Article 9-A

CT-3-B-I

General Information

Information from this form, Form CT-3 and Form CT-3-ATT is used to complete Form CT-3-C. Therefore the schedules and lines are numbered to directly correspond with the same schedules and lines on Forms CT-3 and CT-3-ATT. Lines that are not applicable have been omitted. Schedule A, Part I of Form CT-3 is not applicable and has been omitted. Use Form CT-3-I, *Instructions for Forms CT-3 and CT-3-ATT,* to complete this return.

Who Must File

Domestic international sales corporations (DISCs) that are exempt from tax under Article 9-A of the Tax Law must file Form CT-3-B. **Foreign sales corporations (FSCs) cannot file this form.** Taxable DISCs must file Form CT-3.

A corporation that qualifies as a DISC under section 922(a) of the Internal Revenue Code is exempt from tax under Article 9-A if during the year:

(a) It received **more** than 5% of its gross receipts from the sale of inventory or other property purchased from its stockholders,

or

(b) It received **more** than 5% of its gross rentals from the rental of property purchased or leased from its stockholders,

or

(c) It received **more** than 5% of its total receipts from other than sales or rentals from its stockholders.

Stockholder of DISC That Files as Part of Combined Group

If the stockholder of the tax exempt DISC files as part of a combined group, the stockholder is no longer required to file Form CT-3. Use the instructions for the appropriate lines on Form CT-3-A to complete the Computation of Entire Net Income, Capital Base, Minimum Taxable Income Base and Schedules A and B on pages 1, 2, and 3, and the instructions for the appropriate lines on Form CT-3-A/ATT to complete Schedules C and D on pages 3 and 4. The instructions for combined returns may be found in Form CT-3-A-I, *Instructions for Forms CT-3-A, CT-3-A/ATT and CT-3-A/B.*

When and Where to File

This return must be filed separately by a tax-exempt DISC. Attach a copy of this return to the stockholder's consolidated return, Form CT-3-C, and file both within 8½ months after the end of the tax year. Include a complete copy of your federal return.

Mail your return to:

NYS CORPORATION TAX
PROCESSING UNIT
P O BOX 1909
ALBANY NY 12201-1909

Reporting Period

If you are a calendar year filer, check the box in the upper right corner on the front of the form.

If you are a fiscal year filer, complete the beginning and ending tax period boxes in the upper right corner on the front of the form.

Foreign Corporations Maintenance Fee

Foreign corporations (including DISCs) authorized to do business in New York State must pay an annual maintenance fee of $300 (Article 9, section 181.2). Enter your maintenance fee on line B on the front page of Form CT-3-B.

For short periods the maintenance fee may be reduced as follows:

Period	Reduction	Maintenance Fee
A period of not more than 6 months	50%	$150
A period of more than 6 months but not more than 9 months	25%	$225
A period of over 9 months	None	$300

If you do not pay the maintenance fee due on or before the due date, you must pay interest and penalty on the underpayment. See the instructions for Form CT-3 for proper calculation of interest and penalty.

Tax on Gains Derived From Certain Real Property Transfers

Article 31-B, section 1449-a requires every corporation with an interest in real property to keep a record of the transfer of its stock and report annually every transfer of a "controlling" interest in its stock and any other information that may be required to enforce this article.

Controlling interest of a corporation is either 50% or more of the total combined voting power of all classes of stock or 50% or more of the capital, profits or beneficial interest in such voting stock.

Answer both questions on page 4. If you answer *Yes* to both questions, attach a separate sheet with the following information:

- Name, address and identification number of the new controlling stockholder. (Use the social security number for individuals and the federal employer identification number for corporations as the identification number.)
- Date transfer was made.
- Location of real property.

Change of Business Information

If there have been any changes in your business name, identification number, mailing address, business address, telephone number or owner/officer information and you have not previously notified us, complete Form DTF-95, *Change of Business Information.* If you don't have a form, call toll free (from New York State only) 1 800 462-8100. From areas outside New York State, call (518) 438-1073 to request one.

Identifying Information

To assist us in processing your corporation tax forms as quickly and efficiently as possible, it is important that we have the necessary identifying information from your preprinted label. **Keep a record of the label information for future use**. Please be certain to include your employer identification number and file number on each corporation tax form mailed. This will facilitate processing of your return to the correct account. Without this information, we may not be able to process your return.

If you use a paid preparer or accounting firm, make sure they use the mailing label or label information when completing all forms prepared for you.

Privacy Notification

The right of the Commissioner of Taxation and Finance and the Department of Taxation and Finance to collect and maintain personal information, including mandatory disclosure of social security numbers in the manner required by tax regulations, instructions and forms, is found in Articles 8, 9, 9-A, 13, 19, 27, 32, 33 and 33-A of the Tax Law and 42 USC 405(c)(2)(C)(i).

The Tax Department will use this information primarily to determine and administer corporate tax liabilities under the Tax Law, for certain tax refund offsets, and for any other purpose authorized by law.

Failure to provide the required information may result in civil or criminal penalties, or both, under the Tax Law.

This information will be maintained by the Director of the Data Management Services Bureau, NYS Tax Department, Building 8 Room 905, W A Harriman Campus, Albany NY 12227; telephone(from New York State only) 1 800 CALL TAX (1 800 225-5829); from areas outside New York State call (518) 438-8581.