New York State Department of Taxation and Finance

Instructions for Form IT-236

Credit for Taxicabs and Livery Service Vehicles Accessible to Persons with Disabilities

For costs incurred on or after January 1, 2011

IT-236-I

General information

What is the credit for taxicabs and livery service vehicles accessible to persons with disabilities?

The Tax Law allows a credit to companies that provide a taxicab or livery service using vehicles accessible to persons with disabilities. The credit is based on:

- The purchase of a new vehicle that is initially manufactured to be accessible to persons with disabilities, and for which there is no comparable make or model that does not include the equipment necessary to provide accessibility to persons with disabilities; or
- the incremental costs associated with the upgrading of a motor vehicle to a vehicle accessible to persons with disabilities.

The credit applies to purchases or incremental costs incurred on or after January 1, 2011, and before January 1, 2017, and may be claimed for the tax year in which the purchases or incremental costs are incurred. For purchases or costs incurred **before** January 1, 2011, and for carryovers of credits previously claimed on Form IT-239, use Form IT-239. The credit may only be claimed once per vehicle and may not exceed $10,000 per vehicle.

If the amount of the credit exceeds the taxpayer's tax for the year, the excess is not refundable; however, any unused credit may be carried forward indefinitely.

Who is eligible to claim this credit?

- individuals (including sole proprietors)
- estates or trusts
- partners in a partnership (including members of a limited liability company (LLC) that is treated as a partnership for federal income tax purposes)
- beneficiaries of estates or trusts
- shareholders of New York S corporations

How is the credit claimed?

File Form IT-236 with your personal income tax return, Form IT-201*, Resident Income Tax Return,* or Form IT-203*, Nonresident or Part-Year Resident Income Tax Return,* if you are an individual (including a sole proprietor), a beneficiary of an estate or trust, a partner in a partnership, or a shareholder in a New York S corporation.

An estate or trust that divides the credit among itself and its beneficiaries must submit Form IT-236 with Form IT-205, *Fiduciary Income Tax Return,* showing each beneficiary's share of the credit.

A partnership must file Form IT-236 with Form IT-204, *Partnership Return,* showing the total amount of the credit.

An S corporation **cannot** file Form IT-236. It must file Form CT-236, *Credit for Taxicabs and Livery Service Vehicles Accessible to Persons with Disabilities*. If you are a shareholder of an S corporation, obtain your share of the S corporation's credit from the corporation.

Definitions

A vehicle accessible to persons with disabilities means a motor vehicle, less than 22 feet in length, that complies with:

- federal regulations promulgated pursuant to the Americans with Disabilities Act applicable to vans under 22 feet in length by:
  - the federal Department of Transportation, Code of Federal Regulations (CFR), title 49, parts 37 and 38; and
  - the federal Architecture and Transportation Barriers Compliance Board, CFR title 36, section 1192.23; and
- Federal Motor Vehicle Safety Standards, CFR, title 49, part 571.

Taxicab means every motor vehicle, other than a bus, used in the business of transporting passengers for compensation and operated in that business under a license or permit issued by a local authority. However, it does not mean vehicles that are rented or leased without a driver.

Livery means every motor vehicle, other than a taxicab or a bus, used in the business of transporting passengers for compensation. However, it does not mean vehicles that are rented or leased without a driver.

Motor vehicle means every vehicle that is operated or driven on a public highway and is propelled by any power other than muscular power, **except** for an electrically driven mobility assistance device operated or driven by a person with a disability, a vehicle that runs only on rails or tracks, a snowmobile, and an all-terrain vehicle.

Bus means every motor vehicle having a seating capacity of 15 or more passengers in addition to the driver and used for the transportation of persons.

Local authority means every county, municipal or other local board, body or officer, county park commission, parkway authority, bridge authority, bridge and tunnel authority, the Office of Parks and Recreation, the New York State Thruway Authority, or similar body or person having authority to enact laws or regulations relating to traffic under the constitution and laws of this state.

Providing a taxicab or livery service means the operation of a taxicab or livery in New York State in accordance with required licenses, permits, or registrations issued by a local authority and the New York State Department of Motor Vehicles.

Incremental cost means the expenses specifically associated with upgrading a motor vehicle, and includes the equipment and installation costs necessary to convert it to a vehicle accessible to persons with disabilities.

Incremental cost also includes the costs associated with the excess purchase price of a vehicle accessible to persons with disabilities over the purchase price of a motor vehicle that is the same make and model except for the equipment necessary to convert it to a vehicle accessible to persons with disabilities.

Specific instructions

See the instructions for your tax return for the *Privacy notification* or if you need help contacting the Tax Department.

Individual (including sole proprietor): Complete Parts 1, 5, and 6.

Partnership: Complete Parts 1 and 5.

A married couple in a business enterprise that made an IRC 761(f) election to file two federal Schedule C forms instead of a partnership return: If you file jointly, compute your credit amount as if you were filing one federal Schedule C for the business (enter the total of all applicable amounts from both federal Schedule C forms). Complete Parts 1, 5, and 6.

Fiduciary: Complete Parts 1, 4, 5, and 6.

Partner in a partnership, shareholder of a New York S corporation, and beneficiary of an estate or trust: Complete Parts 2, 3, 5, and 6.

Note: If more than one of the above applies to you, complete all appropriate parts on one Form IT-236.

Part 1 – Individual (including sole proprietor), partnership, and estate or trust

Enter the information relating to the purchases or incremental costs incurred during the tax year. If you purchased a new vehicle initially manufactured to be accessible to persons with disabilities, use Schedule A. If you incurred costs to upgrade a motor vehicle to be accessible to persons with disabilities, use Schedule B. If you need additional space, submit a separate sheet of paper with Form IT-236 listing this information in the same format as requested in Schedule A, columns A, B, and C, or Schedule B, columns A through D (be sure to include your name and taxpayer identification number).

Schedule B – Upgrade of motor vehicle

Column C – Enter in column C the cost, including equipment and installation, to upgrade a motor vehicle to be accessible to persons with disabilities. See definition of incremental cost above.

Part 2 – Partnership, New York S corporation, estate, and trust information

Enter the appropriate information for each partnership, New York S corporation, or estate or trust from which you received a share of the credit for taxicabs and livery service vehicles accessible to persons with disabilities. If you need more space, submit a separate schedule (be sure to include your name and taxpayer identification number).

Part 3 – Partner's, shareholder's, or beneficiary's share of the credit

Enter your share of the total credit received from a partnership, a New York S corporation, an estate, or a trust. If you belong to more than one partnership, New York S corporation, estate, or trust, enter the total of all your shares on the appropriate line.

Part 4 – Beneficiary's and fiduciary's share of credit

Enter the fiduciary's share of the credit from column C on line 12. If an estate or trust allocates or assigns the credit to its beneficiaries, base the division of the credit on each beneficiary's proportionate share of the income of the estate or trust. Provide the beneficiaries with their share of the credit. If you need more space, submit a separate schedule (be sure to include your name and taxpayer identification number).

Part 6 – Application of credit and computation of carryover

Line 16

Form IT-201 filers: Enter the tax from Form IT-201, line 39, plus any amount from Form IT-201-ATT, line 21.

Form IT-203 filers: Enter the tax from Form IT-203, line 46, plus any amount from Form IT-203-ATT, line 20.

Form IT-205 filers: Enter the tax from Form IT-205, line 8 (for residents), or line 9 (for nonresidents), **plus** any credits shown on line 1 of the *Addbacks worksheet* in the instructions for Form IT-205, line 12.

Line 17 – If you are applying any credits against the tax before this credit, enter those amounts here.

When applying credits, follow the order of credits under Tax Law section 606(yy):

- First apply any credits that cannot be carried over or refunded.
- Next apply any credits that can be carried over for a limited duration.
- Then apply any credits that can be carried over for an unlimited duration.
- Apply refundable credits last.

Line 19 – Enter the amount from line 15 or line 18, whichever is less.

Enter this amount from line 19 and code ***236*** on Form IT-201-ATT, line 6, or Form IT-203-ATT, line 7, or include it on Form IT-205, line 10.