



Important Notice

Announcement Regarding the January 1998 Ice Storm

N-98-2
(2/98)

On January 13, 1998, Governor George E. Pataki directed the New York State Department of Taxation and Finance to extend certain filing deadlines as a result of the winter ice storm that took place the week of January 5, 1998, in the northern New York State counties of Clinton, Essex, Franklin, Jefferson, Lewis and St. Lawrence. The Tax Department immediately announced a postponement of the January 15, 1998 deadline for estimated income tax and corporation tax payments, and for withholding tax and cigarette excise tax deadlines. Affected taxpayers that had return and payment requirements in these taxes were granted extensions until April 15, 1998.

On January 21, 1998, Governor Pataki signed Chapter 8 of the Laws of 1998 as an additional measure of relief to North Country residents. The new law, which amends section 171 of the Tax Law, authorizes the Commissioner of the Tax Department to postpone for a period of up to 90 days, certain deadlines required under the New York State Tax Law for taxpayers determined to be affected by a disaster declared by the President or the Governor.

Governor Pataki has announced that the relief afforded by the new law will be available to New York taxpayers who are businesses or resident individuals of:

- the New York State counties of Clinton, Essex, Franklin, Jefferson, Lewis and St. Lawrence;
- the state of Vermont counties of Addison, Chittenden, Franklin, Grand Isle, Orange and Windsor;
- the state of New Hampshire counties of Belknap, Carroll, Cheshire, Coos, Grafton, Hillsborough, Merrimack, Strafford and Sullivan; and
- the state of Maine counties of Androscoggin, Cumberland, Franklin, Hancock, Kennebec, Knox, Lincoln, Oxford, Penobscot, Piscataquis, Sagadahoc, Somerset, Waldo, Washington and York.

Taxpayers whose addresses are not within the areas shown above, but who are affected by the ice storm, must include an attachment with their filing or payment explaining how the disaster adversely

affected their ability to meet their filing, payment, or other obligations.

As a result of this new law, Governor Pataki has directed the Tax Department to postpone deadlines starting with January 5, 1998 and ending on or before April 14, 1998 for:

- filing any returns;
- payment of any tax or installment of tax;
- filing a petition for credit or refund or for redetermination of a deficiency or application for review of a decision;
- allowance of a credit or a refund;
- assessment of tax;
- giving or making a notice or demand for payment of tax;
- collection of tax by levy or otherwise;
- bringing suit by the State in respect of any tax liability; and
- any other act required or permitted under the Tax Law or specified in the New York State Regulations.

Any deadlines that fall between January 15 and April 14, 1998, for performance of the above required acts have been extended to April 15, 1998. Any deadlines that fall between January 5 and January 14, 1998, for performance of the above required acts have been extended to April 6, 1998.

The Department is providing an extension of time to taxpayers who cannot meet tax filing and payment deadlines because of the ice storm disaster as follows:

New York State Personal Income Tax, Article 22

Estimated Tax Payments — Taxpayers who cannot file their installment payments of estimated income tax required to be made by January 15, 1998, may make such installment payments on or before April 15, 1998. However, the required estimated tax payment must be made either before the taxpayer's personal income tax return is filed, with the return, or with an extension of time to file the return (if filing Form IT-370 or Form IT-370-PF, as appropriate, to automatically extend the due date for filing a

personal income tax return until August 15, 1998). If the January 15 estimated tax payment is made with the taxpayer's personal income tax return or with an extension, a completed Form IT-2105, *Estimated Income Tax Payment Voucher*, must be included with the return or extension.

Such taxpayers who make any required installment payments on or before April 15, 1998, will be deemed to have made their installment payments on the original due date (January 15) and will not be subject to underpayment penalty.

Fiscal Year Filers — Fiscal year taxpayers whose due date for filing a return (including extensions) or making an estimated tax payment falls on January 15, February 17, or March 16, 1998 may file and pay any tax due on or before April 15, 1998. Such returns filed on or before April 15, 1998 will not be subject to any late filing or late payment penalties or interest.

Fiscal year taxpayers who cannot meet the extended filing due date of April 15, 1998 may apply for an additional extension of time by filing Form IT-370, *Application for Automatic Extension of Time to File for Individuals*, or Form IT-370-PF, *Application for Automatic Extension of Time to File for Partnerships and Fiduciaries*, as appropriate, on or before April 15, 1998, together with payment of the properly estimated amount of tax due.

Withholding Taxes — Employers who are required to file and make payment(s) between January 5 and January 14, 1998, for personal income tax withheld from their employees, may file and make payment(s) of such personal income tax withheld with Form NYS-1, *Return of Tax Withheld* on or before April 6, 1998. Employers who are required to file and make payment(s) between January 15 and April 14, 1998 for personal income tax withheld from their employees, may file and make payment of such personal income tax withheld with Form NYS-1, on or before April 15, 1998. Employers who file Form NYS-1 with remittance by the applicable extended due date, will be deemed to have filed and made such payments on the original due date and will not be subject to late filing or late payment penalties, or interest.

Quarterly Combined Withholding and Wage Reporting Returns — Form WT-4-A or WT-4-AEZ (including any payment) and WT-4-B, *Quarterly Combined Withholding and Wage Reporting Return (Parts A & B)* for the 4th quarter of 1997, due March 2, 1998, may be filed on or before April 15, 1998.

Interest at the appropriate underpayment rate must be

paid on all tax payments received after the extended due date of April 15, 1998 (or April 6, 1998, if applicable), calculated from April 15, 1998 (or April 6, 1998, if applicable) to the date of payment.

New Hire Reporting — Employers who are required to file and report newly hired employees (whether by paper, fax, or magnetic media) between the dates of January 5 and January 14, may file and report such newly hired employee information on or before April 6, 1998. Employers who are required to report newly hired employees (whether by paper, fax or magnetic media) between the dates of January 15 and April 14, may file and report such newly hired employee information on or before April 15, 1998. Employers who file these new hire reports by the extended filing deadline, will be deemed to have filed their reports by the original due date(s) and will not be subject to the new hire reporting failure penalty.

New York State Corporate Franchise Tax or Unrelated Business Income Tax, Articles 9, 9-A, 13, 32 and 33

Estimated Tax Payments — Taxpayers who cannot file their declarations of estimated tax or make installment payments of estimated tax required to be made by January 15, 1998, may file such declarations and make such installment payments on or before April 15, 1998. Such taxpayers who file the declaration and make any required installment payments on or before April 15, 1998, will be deemed to have filed such declarations and made such installment payments on the original due date (January 15) and will not be subject to underpayment penalty.

Calendar Year Filers — Taxpayers who cannot meet the March 16, 1998 deadline for filing their annual corporation tax return may file and pay any tax due on or before April 15, 1998, and no late filing or late payment penalties, or interest will be imposed.

Taxpayers (both calendar year and fiscal year filers) who cannot meet the extended filing due date of April 15, 1998 may apply for an additional extension of time by filing Forms CT-5, CT-5.1, CT-5.3 or CT-5.4, as appropriate, on or before April 15, 1998, together with payment of the appropriate amount of tax estimated to be due.

Fiscal Year Filers — Fiscal year taxpayers whose due date for filing a return (including extensions) or making an estimated tax payment falls on January 15, February 17 or March 16, 1998 may file and pay any

tax due on or before April 15, 1998 and will not be subject to any late filing and late payment penalties or interest.

Interest at the appropriate underpayment rate must be paid on all tax payments received after the extended due date of April 15, 1998, calculated from April 15, 1998 to the date of payment.

Hazardous Waste Assessments, Section 27-0923 of the Environmental Conservation Law

Affected taxpayers who cannot meet the January 20, 1998 deadline for filing Form TP-550, *Return of Special Assessments on Generating, Treatment or Disposal of Hazardous Waste in New York State*, may file and pay any tax due by April 15, 1998.

Interest at the appropriate underpayment rate must be paid on all tax payments received after the extended due date of April 15, 1998 calculated from April 15, 1998 to the date of payment.

Sales and Use Tax, Article 28

Taxpayers whose part-quarterly (monthly) or quarterly sales and use tax reports/returns were or are due in the months of January, February or March of 1998, may file and pay any tax due on or before April 15, 1998, and no late filing or late payment penalties, or interest, will be imposed.

Interest at the appropriate underpayment rate must be paid on all returns and payments received after the extended due date of April 15, 1998, calculated from April 15, 1998 to the date of payment.

Alcoholic Beverage Tax, Beverage Container Tax, Cigarette Tax, Tobacco Products Tax, Gasoline Tax, Petroleum Business Tax and Highway Use Tax, Articles 18, 18-A, 20, 12-A, 13-A, 21

Taxpayers whose alcoholic beverage tax, beverage container tax, cigarette tax, tobacco products tax, gasoline tax, petroleum business tax, highway use tax, monthly, quarterly, or annual returns and reports that were or are due in the months of January, February or March of 1998 may file and pay any tax due on or before April 15, 1998, and will not be subject to late filing or late payment penalties or interest.

Interest at the appropriate underpayment rate must be paid on all tax payments received after the extended due date of April 15, 1998, calculated from April 15, 1998 to the date of payment.

Fuel Use Tax (IFTA), Article 21-A

Taxpayers whose fourth quarter IFTA reports were due by February 2, 1998, may file and pay any tax on or before April 15, 1998, and will not be subject to late filing or late payment penalties. Interest will not be due on any fuel use tax due to New York State. However, interest may be due on tax due to other jurisdictions. New York is in the process of contacting the other IFTA jurisdictions to get permission to waive any interest that may be due to them as a result of the late filing of a report. Upon their approval, New York will waive interest due to other jurisdictions.

If the interest due on a late filed report is waived by a jurisdiction, no interest will be imposed for the period of February 2, 1998 through April 15, 1998. However, if the report is filed after the extended due date of April 15, 1998, interest at the rate of one percent a month must be paid, calculated from April 15, 1998 to the date of payment.

If the interest due on a late filed report is not waived by a jurisdiction, interest will be imposed on the tax due to that jurisdiction, calculated from February 2, 1998 to the date of payment.

Estate Tax, Article 26

The due date (including any extended due date) for filing an estate tax return or making a payment of estate tax (including the six month payment), that was due January 5, through January 14, 1998, is extended to April 6, 1998, without interest or penalty. For returns or payments due after January 14, 1998, but before April 15, 1998, the due date is extended to April 15, 1998, without interest and penalty.

Taxpayers who cannot meet the extended filing due date of April 15, 1998 may apply for an additional extension of time by filing Form ET-133, on or before April 15, 1998, together with payment of the appropriate amount of tax estimated to be due.

Interest at the appropriate underpayment rate will be charged on all payments received after the extended due date of April 15, 1998 (or April 5, 1998, if applicable), calculated from the date of death to the date of payment. However, the running of interest is suspended for the period of the extension.

Gift Tax, Article 26-A

Taxpayers who were unable to file and make their estimated tax payment required to be made by January 15, 1998, may make such estimated tax payment on or before April 15, 1998.

However, the required estimated tax payment must be made either before you file your return, with your return, or with your extension of time to file your return (if you are filing Form TP-402 to automatically extend the due date for filing your gift tax return until August 15, 1998).

Such taxpayers who make any required payment on or before April 15, 1998, will be deemed to have made their payment on the original due date (January 15) and will not be subject to penalties or interest.

Real Estate Transfer Tax, Article 31

Taxpayers who are required to file and make payment of their transfer tax with Form TP-584, *Combined Real Estate Transfer Tax Return and Credit Line Mortgage Certificate*, between January 5 and January 14, 1998 may file and make payment of such transfer tax on or before April 6, 1998. Taxpayers who are required to file and make payment of their transfer tax with Form TP-584 between January 15 and April 14, 1998 may file and make payment of such transfer tax on or before April 15, 1998.

Taxpayers who file and make payment of their transfer tax by the extended due date will be deemed to have filed and made such payments on the original due date and will not be subject to penalties or interest.

Interest at the appropriate underpayment rate must be paid on all returns and payments received after the extended due date of April 15, 1998 (or April 6, 1998, if applicable), calculated from April 15, 1998 (or April 6, 1998, if applicable) to the date of payment.

Marking of Returns

Returns, extensions, declarations of estimated tax or estimated tax vouchers filed late under this announcement should be marked *1998 Ice Storm* on the top center of the first page. Taxpayers whose addresses are not within the affected areas of New York State, Vermont, New Hampshire or Maine (listed on the front page of this notice), but who are affected by the ice storm, must include an attachment

with their filing or payment explaining how the disaster adversely affected their ability to meet their filing, payment, or other obligations.

Electronic Funds Transfer (PromptTax) Payments

PromptTax filers who avail themselves of these provisions should call the Helpline at 1 800 EFT-0054.

All Other Taxes

Abatements of penalties on all other late filings of returns or late payments not made by the date required by law and not covered by this announcement will be handled on a case-by-case basis.

How to Reach Us

Information — For general information or answers to your New York State tax questions, call toll free 1 800 225-5829. For business tax information, call toll free 1 800 972-1233. From areas outside the U.S. and Canada, call (518) 485-6800. Telephone assistance is available from 8:30 a.m. to 4:25 p.m., Monday through Friday.

Hotline for Hearing and Speech Impaired — If you have a hearing or speech impairment and have access to a telecommunications device for the deaf (TDD), you can get answers to your New York State tax questions by calling 1 800 634-2110 toll free from anywhere in the U.S. and Canada. Hours of operation are from 8:30 a.m. to 4:15 p.m., Monday through Friday. If you do not own a TDD, check with independent living centers or community action programs to find out where machines are available for public use.

To Receive Forms by Fax (Fax-on-Demand Forms Ordering System) — From a touch tone phone, call toll free from the United States and Canada: 1 800 748-3676, available 24 hours a day, 7 days a week. Most forms are available. A fax code is used to identify each form. An index of fax forms and their codes is available via fax or on the Department's website.

Internet Access - Access our website for forms, publications and information at <http://www.tax.state.ny.us>.