



Application for Exemption from Corporation Franchise Taxes by a Not-for-Profit Organization

Mailing name and address, NYS principal business activity, Form of organization, Date of formation, State or country of incorporation, Taxable/Exempt checkboxes, Indicate exact name of the law under which the entity was formed.

Federal return filed (mark an X in one): Form 990, Form 990-T, Form 1120, Other:

For lines 1 through 7, mark an X in the Yes or No box

- 1 Is the entity organized and operated as a not-for-profit organization?
2 Is the entity authorized to issue capital stock?
3 Does any part of the net earnings of the organization benefit any officer, director, or member?
4 Does the entity meet the qualifications for exemption from federal income tax?
5 Did the entity apply for federal exemption?
6 Is the entity engaged in an unrelated business activity at a location in New York State (NYS)?
7 Is the entity operating as a trust under Internal Revenue Code (IRC) section 401(a) and exempt from federal income tax under IRC section 501(a)?

Table with 2 columns: Location, Nature of activity. Row 8: List location and type of activity for each office and other places of business.

Table with 3 columns: Name, Title, Duties. Row 9: List officers, employees, agents, and representatives in NYS and briefly describe their duties.

Table with 2 columns: Type, How used. Row 10: List type and use of real property owned in NYS.

11 Describe any NYS activities not shown above (attach separate sheet if necessary).

Certification: I certify that this application and any attachments are to the best of my knowledge and belief true, correct, and complete. Willfully filing a false application is a misdemeanor punishable under the Tax Law.

Authorized person, Paid preparer use only. Fields include: Printed name, Signature, Official title, E-mail address, Telephone number, Date, Firm's name, Firm's EIN, Preparer's PTIN or SSN, Signature of individual, Address, City, State, ZIP code, Preparer's NYTPRIN or Excl. code, Date.

## Instructions

### General information

Certain not-for-profit and religious corporations are exempt from the New York State (NYS) corporation franchise tax imposed by Tax Law Article 9-A (Article 9-A regulations, section 1-3.4(b)(6)). You must file Form CT-247 to apply for exemption.

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. Not-for-profit corporations that issue stock are taxable under Article 9-A. However, title holding companies as described in Internal Revenue Code (IRC) section 501(c)(2), and collective investment entities as described in IRC section 501(c)(25), are exempt from tax under Article 9-A. For additional information, see TSB-M-87(9)C, *Exemption for Title Holding Companies (THC) and Collective Investment Entities (CIE)*.
- No part of its net earnings may benefit any officer, director, or member.
- It must be exempt from federal income taxation under IRC section 501, subsection (a).

If the organization meets all of the above requirements, it will be presumed to be exempt from tax under Tax Law Article 9-A. An organization denied exemption from taxation under the IRC will be presumed to be subject to tax under Article 9-A.

An organization whose tax exempt status has been revoked and later restored by the Internal Revenue Service (IRS), must file a new application on Form CT-247. The new application must be approved before any tax-exempt status under Article 9-A is restored.

Not-for-profit, nonstock organizations that are subject to the federal tax on unrelated business income are taxable under NYS Tax Law Article 13, if they pursue those unrelated business activities in NYS. File Form CT-13, *Unrelated Business Income Tax Return*, to report those activities.

Organizations required to file federal Form 1120 may be taxable under Article 9-A and may be required to file Form CT-3, *General Business Corporation Franchise Tax Return*.

When filing Form CT-247, submit all documents granting or denying exemption from tax by the IRS, the corporation's articles of incorporation, and its bylaws. Promptly report any changes in the corporation's federal tax status to the NYS Tax Department.

Any exemption granted by the filing of Form CT-247 is strictly for NYS corporation franchise tax. For federal exemption, contact the IRS.

Any inquiry on the taxable status of an organization must be in writing, signed by an officer of the organization, and mailed to the address under *How to file*.

### Refund of franchise taxes

If the organization paid franchise taxes in error, request a refund by filing an amended return. A housing development fund company must submit proof that it was organized under Private Housing Finance Law Article 11.

### How to file

#### Fax to:

518-435-2995 (preferred response method)

**Or mail to:** NYS Tax Department, Corporation Tax Account Resolution, W A Harriman Campus, Albany NY 12227-0852.

#### Private delivery services

See Publication 55, *Designated Private Delivery Services*.

### Signature

The application must be certified by the president, vice president, treasurer, assistant treasurer, chief accounting officer, or other officer authorized by the taxpayer corporation.

The application of an association, publicly traded partnership, or business conducted by a trustee or trustees must be signed by a person authorized to act for the association, publicly traded partnership, or business.

If an outside individual or firm prepared the application, all applicable entries in the paid preparer section must be completed, including identification numbers (see *Paid preparer identification numbers* in Form CT-1). Failure to sign the application will delay the processing of any refunds and may result in penalties.

### Need help? and Privacy notification

See Form CT-1, *Supplement to Corporation Tax Instructions*.

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