

To: Employees with participate in a retirement IRC 414(H) or who have a IRC 125 deduction from their paychecks

From: Department of Human Resources/Payroll

Date: January 24, 2008

Re: Requirements to add 414(h) retirement contributions and IRC 125 deferrals to the Federal adjusted gross income on NYS Personal Income Tax returns



REMINDER

If you are an employee of the State of New York or the City of New York and are still making retirement contributions (IRC 414 (H)), you **must remember to add these contributions to your Federal adjusted gross income on your New York State Personal Income Tax return. The amount you contributed in 2007 will be shown in Box 14 on your W-2 Statement and should be included on:**

Line 13 of Form IT-150 NYS Resident Income Tax Return (short form) or

Line 21 of Form IT-201 NYS Resident Income Tax Return (long form) or

Line 21 of Form IT-203 NYS Nonresident/Part-Year Resident Income Tax Return

If you are an employee of the City University of New York and an amount was deducted or deferred from your salary under a flexible benefits program (IRC 125), this amount **must be added to the Federal adjusted gross income on your New York State Income Tax return. The amount of your IRC benefits will be shown in Box 14 of your W-2 Statement and should be included on:**

Line 14 of Form IT-150 NYS Resident Income Tax Return (short form) or

Line 23 of Form IT-201 NYS Resident Income Tax Return (long form) or

Line 22 of Form IT-203 NYS Nonresident/Part-Year Resident Income Tax Return

Be sure that any tax preparation software you may use performs this calculation. Failure to add this amount to your Federal adjusted gross income on your New York State Tax return can result in additional payments and interest due.

**For more information, contact the New York State
Department of Taxation and Finance at 1-800-225-5829**