

# FORM APL-004

## Deposit in the Nature of a Cash Bond

For DRS Use Only
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Date of Deposit

Taxpayers objecting to an assessment of tax owed to the State of Connecticut may make a remittance that is designated in writing as a deposit in the nature of a cash bond. This limits the accrual of additional interest on the tax assessed, without conceding liability for the assessment.

**Form APL-004** is used to designate a remittance as a deposit in the nature of a cash bond. See **Informational Publication 2017(10)**, *Deposits in the Nature of a Cash Bond*.

### Part I - Taxpayer Information

Taxpayer's Name	Social Security Number (If an Individual)
Address (Number and Street)	Connecticut Tax Registration No. (Business Only)
City, State, and ZIP Code	Federal Employer Identification No. (Business Only)

### Part II - Assessment and Remittance Information

1. Type of entity the taxpayer is: <input type="checkbox"/> Limited Liability Company <input type="checkbox"/> Limited Liability Partnership <input type="checkbox"/> Limited Partnership <input type="checkbox"/> General Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Trust <input type="checkbox"/> Estate <input type="checkbox"/> Individual <input type="checkbox"/> Other: _____
2. Tax periods involved in the audit examination:
3. Tax type audited:
4. Revenue Examiner conducting audit examination:
5. Amount of remittance designated as a Deposit in the Nature of a Cash Bond: <span style="float: right;">.00</span>

For additional assistance completing this form, call **860-297-4775**, Monday through Friday, 8:00 a.m. to 4:30 p.m.

This form must be signed by:

- A principal officer, if the taxpayer is a corporation or a limited liability company;
- The general partner, if the taxpayer is a limited partnership or a limited liability partnership;
- A partner, if the taxpayer is a general partnership;
- The fiduciary, if the taxpayer is a trust or an estate; **or**
- An individual or sole proprietor, if the taxpayer is an individual or sole proprietorship.

### Part III - Signature

Taxpayer's signature	Title	Date
Print taxpayer name	Print company name	

## Form APL-004 - Instructions

### General Instructions

#### When to Make a Deposit

Deposits may be made **before** or **after** the Department of Revenue Services (DRS) issues a notice of assessment, but **must** be made before the period for contesting the assessment expires or before the Connecticut Superior Court enters an order upholding the assessment, whichever is later.

#### Where to Send Form APL-004 and the Deposit

Before DRS issues a notice of assessment, you should hand-deliver **Form APL-004** and your deposit to the revenue examiner assigned to the audit examination. You may also mail the form and the deposit to the Audit Division, Compliance Support Unit at:

Department of Revenue Services  
Audit Division - Compliance Support Unit  
450 Columbus Blvd Ste 1  
Hartford CT 06103-1837

After DRS issues a notice of assessment, you should hand-deliver **Form APL-004** and your deposit to the appellate officer assigned to the protest. You may also mail the form and the deposit to the Appellate Division at:

Department of Revenue Services  
Appellate Division  
450 Columbus Blvd Ste 1  
Hartford CT 06103-1837

Attach a check or money order made payable to **Commissioner of Revenue Services** to this form.

#### Does Filing Form APL-004 Constitute a Protest of the Assessment?

Filing **Form APL-004** does not, in and of itself, constitute filing a protest of an assessment.

#### How is a Deposit in the Nature of a Cash Bond Applied?

DRS applies the deposit once the amount of tax due is finally determined. If you make a deposit before DRS issues a notice of assessment, the amount of the assessment (plus any interest or penalty) stated on the notice will not reflect or take into account the deposit. If you timely file a protest of the assessment with the Appellate Division, and make a deposit before the Appellate Division issues a final determination letter, the amount of the assessment upheld by the final determination letter (plus any interest or penalty) will not reflect or take into account the deposit.

The application of the deposit is a two-step process.

**Step One:** Compute a fraction. The numerator is the tax assessed by DRS, as stated on the notice of assessment. The denominator is the tax assessed by DRS, as stated on the notice of assessment, plus the interest that has accrued on the tax through the date that the deposit is received.

**Step Two:** Multiply the deposit by the fraction. Apply the product to the tax finally determined to be due. Then, apply the balance of the deposit first to the interest accruing on the tax finally determined to be due and finally to any penalty, unless you successfully requested a waiver of the penalty.

#### Whether a Deposit Will Be Returned

You may request in writing that all or part of the deposit be returned any time before the time for contesting the assessment expires or before the Superior Court enters an order upholding the assessment, **whichever is later**.

To request a return of your deposit **before** DRS issues a notice of assessment, you **must** send a written request to the Audit Division, Compliance Support Unit. To request a return of your deposit **after** DRS issues a notice of assessment, you **must** send a written request to the Appellate Division.

However, the Collections Unit must approve the return of the deposit. If the Collections Unit determines that the collection of the tax would be in jeopardy if the deposit is returned, it will advise the division to which the request was made and the deposit will not be returned.

If the Collections Unit approves the request, the division to which the request was made will complete and send the appropriate form to the Operations Division, Accounts Receivable Unit instructing them to return the portion of the deposit that was requested to be returned. If a portion of the deposit is returned, DRS will treat your account as if you never deposited that portion of the deposit. No interest accrues or is paid on a deposit that is returned to you.

### Line Instructions

#### Line 1

Check the box indicating what type of entity the taxpayer is.

#### Line 2

Enter the beginning and ending tax periods of the audit examination.

**Example:** *Tax period of January 1, 2016, through October 31, 2016, inclusive.*

#### Line 3

Enter the type of tax audited.

**Example:** Corporation business tax, sales and use taxes, gift tax, income tax, etc.

#### Line 4

Enter the name of revenue examiner (if known) who conducted the audit examination.

#### Line 5

Enter the amount of the remittance that you are designating as a deposit in the nature of a cash bond.