

| Part IV– Computation of Interest | | |
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| 10a. First installment: Enter the required installment amount due on the fifteenth day of the third month. See instructions. | 10a. | |
| 10b. Enter payments made or credits received on or before the fifteenth day of the third month. | 10b. | |
| 10c. First installment underpayment balance: Subtract Line 10b from Line 10a. | 10c. | |
| 10. Interest due - Sixteenth day of the third month through the fifteenth day of the fourth month. Multiply Line 10c by .01 if greater than zero. | 10. | |
| 11a. Enter payments made or credits received on or before the fifteenth day of the fourth month. | 11a. | |
| 11b. First installment underpayment balance: Subtract Line 11a from Line 10c. | 11b. | |
| 11. Interest due - Sixteenth day of the fourth month through the fifteenth day of the fifth month. Multiply Line 11b by .01 if greater than zero. | 11. | |
| 12a. Enter payments made or credits received on or before the fifteenth day of the fifth month. | 12a. | |
| 12b. First installment underpayment balance: Subtract Line 12a from Line 11b. | 12b. | |
| 12. Interest due - Sixteenth day of the fifth month through the fifteenth day of the sixth month. Multiply Line 12b by .01 if greater than zero. | 12. | |
| 13a. Second installment: Enter payments made or credits received on or before the fifteenth day of the sixth month. | 13a. | |
| 13b. First installment underpayment balance: Subtract Line 13a from Line 12b. | 13b. | |
| 13c. Enter the second required installment amount due on the fifteenth day of the sixth month. See instructions. | 13c. | |
| 13d. Second installment underpayment balance: Add Line 13b and Line 13c. | 13d. | |
| 13. Interest due - Sixteenth day of the sixth month through the fifteenth day of the seventh month. Multiply Line 13d by .01 if greater than zero. | 13. | |
| 14a. Enter payments made or credits received on or before the fifteenth day of the seventh month. | 14a. | |
| 14b. Second installment underpayment balance: Subtract Line 14a from Line 13d. | 14b. | |
| 14. Interest due - Sixteenth day of the seventh month through the fifteenth day of the eighth month. Multiply Line 14b by .01 if greater than zero. | 14. | |
| 15a. Enter payments made or credits received on or before the fifteenth day of the eighth month. | 15a. | |
| 15b. Second installment underpayment balance: Subtract Line 15a from Line 14b. | 15b. | |
| 15. Interest due - Sixteenth day of the eighth month through the fifteenth day of the ninth month. Multiply Line 15b by .01 if greater than zero. | 15. | |
| 16a. Third installment: Enter payments made or credits received on or before the fifteenth day of the ninth month. | 16a. | |
| 16b. Second installment underpayment balance: Subtract Line 16a from Line 15b. | 16b. | |
| 16c. Enter the third required installment amount due on the fifteenth day of the ninth month. See instructions. | 16c. | |
| 16d. Third installment underpayment balance: Add Line 16b and Line 16c. | 16d. | |
| 16. Interest due - Sixteenth day of the ninth month through the fifteenth day of the tenth month. Multiply Line 16d by .01 if greater than zero. | 16. | |

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| Part IV– Computation of Interest, continued | | |
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| 17a. Enter payments made or credits received on or before the fifteenth day of the tenth month. | 17a. | |
| 17b. Third installment underpayment balance: Subtract Line 17a from Line 16d. | 17b. | |
| 17. Interest due - Sixteenth day of the tenth month through the fifteenth day of the eleventh month. Multiply Line 17b by .01 if greater than zero. | 17. | |
| 18a. Enter payments made or credits received on or before the fifteenth day of the eleventh month. | 18a. | |
| 18b. Third installment underpayment balance: Subtract Line 18a from Line 17b. | 18b. | |
| 18. Interest due - Sixteenth day of the eleventh month through the fifteenth day of the twelfth month. Multiply Line 18b by .01 if greater than zero. | 18. | |
| 19a. Fourth installment: Enter payments made or credits received on or before the fifteenth day of the twelfth month. | 19a. | |
| 19b. Third installment underpayment balance: Subtract Line 19a from Line 18b. | 19b. | |
| 19c. Enter the fourth required installment amount due on the fifteenth day of the twelfth month. See instructions. | 19c. | |
| 19d. Fourth installment underpayment balance: Add Line 19b and Line 19c. | 19d. | |
| 19. Interest due - Sixteenth day of the twelfth month through the fifteenth day of the thirteenth month. Multiply Line 19d by .01 if greater than zero. | 19. | |
| 20a. Enter payments made or credits received on or before the fifteenth day of the thirteenth month. | 20a. | |
| 20b. Fourth installment underpayment balance: Subtract Line 20a from Line 19d. | 20b. | |
| 20. Interest due - Sixteenth day of the thirteenth month through the fifteenth day of the fourteenth month. Multiply Line 20b by .01 if greater than zero. | 20. | |
| 21a. Enter payments made or credits received on or before the fifteenth day of the fourteenth month. | 21a. | |
| 21b. Fourth installment underpayment balance: Subtract Line 21a from Line 20b. | 21b. | |
| 21. Interest due - Sixteenth day of the fourteenth month through the fifteenth day of the fifteenth month. Multiply Line 21b by .01 if greater than zero. | 21. | |
| 22a. Enter payments made or credits received on or before the fifteenth day of the fifteenth month. | 22a. | |
| 22b. Fourth installment underpayment balance: Subtract Line 22a from Line 21b. | 22b. | |
| 22. Interest due - Sixteenth day of the fifteenth month to the fifteenth day of the sixteenth month. Multiply Line 22b by .01 if greater than zero. | 22. | |
| 23a. Enter payments made or credits received on or before the fifteenth day of the sixteenth month. | 23a. | |
| 23b. Fourth installment underpayment balance: Subtract Line 23a from Line 22b. | 23b. | |
| 23. Interest due - Sixteenth day of the sixteenth month to the fifteenth day of the seventeenth month. Multiply Line 23b by .01 if greater than zero. | 23. | |
| 24. Total interest due: Add Lines 10 through 23. Enter here and on the appropriate Connecticut tax form. | 24. | |

General Instructions

Complete this form in blue or black ink only. Use **Form CT-1120I** to determine interest due on underpayments of estimated Connecticut Corporation Business Tax or unrelated business income tax for **Form CT-1120**, *Corporation Business Tax Return*; **Form CT-1120CU**, *Combined Unitary Corporation Business Tax Return*; or **Form CT-990T**, *Connecticut Unrelated Business Income Tax Return*.

Please note that each form is year specific. To prevent any delay in processing your return, the correct year's form must be submitted to DRS.

If the taxpayer made timely installment tax payments (**Forms CT-1120 ESA, ESB, ESC, and ESD** or **Forms CT-990T ESA, ESB, ESC, and ESD**) and paid at least 90% of the current year tax or 100% of the prior year tax before the application of any tax credits at the required installment rate, the taxpayer is not subject to interest on underpaid installments. If the current year tax is \$1,000 or less, it is not necessary to complete this form.

Estimated tax payments may be based on the applicable percentage of the current year tax determined by annualizing net income. See **Informational Publication 2018(9)**, 2018 Q & A on *Estimated Corporation Business Tax and Worksheet CT-1120AE*.

Line Instructions

Part I – Computation of Required Annual Payment

Line 1 - Enter the tax liability for the current income year from Form CT-1120, Schedule C, Line 8 minus Schedule C, Line 1c or Form CT-1120CU, Part III, Line 5, minus Part I, Line 8; Combined Group Total column; or Form CT-990T, *Computation of Amount Payable*, Line 5.

The amount entered on Line 1 should not include any recapture of tax credits.

Line 3 - Enter the total tax from the prior income year before the application of any tax credits. The amount entered on this line should not include any recapture of tax credits. If no return has been filed for the prior income year or a return was filed for less than a twelve-month period, leave Line 3 blank and enter the amount from Line 2 on Line 5.

Combined unitary filers included in a 2018 **Form CT-1120CU**, *Combined Unitary Corporation Business Tax Return*, should enter the total tax due from all of the taxable members of the combined group that filed with the designated taxable member in the prior year minus any recapture of tax credits.

Part II – Computation of Required Installments

The required installment payments are due on or before the fifteenth day of the third, sixth, ninth, and twelfth months of the income year. If the due date falls on a Saturday, Sunday, or legal holiday, the return is considered timely if filed on the next business day.

Lines 6 through 9 - Calculate the required minimum installment payments due. Multiply the required annual payment from Part I, Line 5, by the required installment rate and enter the result on the appropriate line.

Part III – Annualized Income Installment Schedule

Complete column A entirely before proceeding to the next column.

Line 1 - Enter the corporation's total net income for the period.

Line 4 - The Connecticut Corporation Business Tax rate is 7.5%. Multiply Line 3 by 7.5% (.075).

Line 5 - If the corporation is subject to the surtax, multiply Line 4 by 10% (.10).

Line 7 - Enter the corporation's estimated allowable Connecticut Corporation Business Tax credits for the year. The amount of tax credits allowable against the Corporation Business Tax generally may not exceed 50.01% of the amount of tax due prior to the application of the tax credits. For 2018, Research and Development, Research and Experimental Expenditures, and Urban and Industrial Site Reinvestment tax credits that remain after application of the 50.01% limitation may be further used, provided the total of all tax credits used shall not exceed 65% of the tax liability.

In addition, no tax credit other than the PE credit shall reduce an included corporation's tax to an amount less than \$250. Also, include any PE credit available to the corporation. The PE credit is not subject to limitation and may reduce the tax liability to zero.

Line 11 - Do not enter an amount in Column A. Enter in Column B the amount from Line 17, Column A. Enter in Column C the sum of Line 17, Column A, plus Line 17 Column B. Enter in Column D the sum of Line 17, Column A, plus Line 17, Column B, plus Line 17, Column C.

Line 13 - Enter the appropriate amount of your required installment as calculated in Part II, Lines 6 through 9, above.

Line 19 - Enter all estimated tax payments made through the payment due date for the period. Include overpayments of the prior year tax applied to the current year. If the tax return for the prior year was filed on time or within the extension period if a timely request for an extension was filed, the overpayment will be treated as estimated tax paid on the fifteenth day of the third month (March 15 for calendar year filers). Otherwise, the overpayment will be treated as estimated tax paid on the date the prior year tax return was filed.

Part IV – Computation of Interest

Lines 10a, 13c, 16c, and 19c - Enter on the appropriate line the required installment amount due. The required installment amounts are computed as follows:

Regular Filers

Enter the amount from Part II, Lines 6 through 9; or

Annualized Filers

Enter the amount from Part III, Line 17, Column A, on Line 10a.
Enter the amount from Part III, Line 17, Column B, on Line 13c.
Enter the amount from Part III, Line 17, Column C, on Line 16c.
Enter the amount from Part III, Line 17, Column D, on Line 19c.

Lines 10b, 11a, 12a, 13a, 14a, 15a, 16a, 17a, 18a, 19a, 20a, 21a, 22a, and 23a - Enter the payment amounts on the appropriate line according to the date of payment. Payments are first applied to any remaining unpaid installment balances that are due, and then are applied to the next required installment due.

Lines 10 through 23 - Interest is calculated monthly on the accumulated unpaid required installment balance due at 1% per month or fraction of a month.

Line 24 - Enter the total interest due on unpaid required installment balances by adding the amounts on Lines 10 through 23. This amount is also entered on the appropriate Connecticut tax form.

Payments if a Waiver From Electronic Filing has been Obtained

If you have been granted a waiver from electronic filing, payments accompanying estimated installment Forms CT-1120 ESA, ESB, ESC, and ESD or Forms CT-990T ESA, ESB, ESC, and ESD will be credited as of the U.S. Postal Service cancellation mark on the payment. The payment must be made or credit established on or before the due date of the required installment. Payments of estimated tax are credited first against underpaid installments in the order in which such installments are required to be paid. The overpayment from the filing of a Corporation Business Tax return is established as of the U.S. Postal Service cancellation mark on the completed return.

Non-electronic payments made without an electronic payment waiver will be subject to penalty.

Taxpayers can use certain private delivery services, in addition to the U.S. Postal Service, for delivering returns, claims, statements or other documents, or payments, and meet the timely filing/payment rules. The timely filed and timely payment rules will be met if the U.S. Postal Service cancellation date, or the date recorded or marked by a designated private delivery service (PDS) using a designated type of service, is on or before the due date. Not all types of service provided by these designated PDSs qualify.

See **Policy Statement 2016(4)**, *Designated Private Delivery Services and Designated Types of Service*, for a current list of qualified PDSs.

Taxpayer Service Center

The Department of Revenue Services (DRS) **Taxpayer Service Center (TSC)** allows taxpayers to electronically file, pay, and manage state tax responsibilities. To make electronic transactions or administer your tax account online, visit **portal.ct.gov/TSC** and select *Business*.

