



Complete this form in blue or black ink only. See instructions.

Enter Income Year Beginning - and Ending -

Corporation name

Connecticut Tax Registration Number

Schedule Q - Net Income Apportionment

Do not include receipts from the sale of property if the property is not held for sale in the ordinary course of business.

	Column A Connecticut	Column B Everywhere
1. Gross receipts from sales of tangible personal property held for sale in the ordinary course of trade or business	<input type="text"/>	<input type="text"/>
2. Gross receipts from services	<input type="text"/>	<input type="text"/>
3. Gross receipts from the rental, lease or license of real or tangible personal property	<input type="text"/>	<input type="text"/>
4. Gross receipts from the rental, lease or license of intangible property	<input type="text"/>	<input type="text"/>
5. Interest	<input type="text"/>	<input type="text"/>
6. Gross receipts from the sale or disposition of real or intangible property held for sale in the ordinary course of trade or business	<input type="text"/>	<input type="text"/>
7. Other	<input type="text"/>	<input type="text"/>
8. Total: Add Lines 1 through 7 in Column A and Column B.	<input type="text"/>	<input type="text"/>

Computation of Connecticut Net Income Apportionment Fraction

9. Apportionment fraction: Divide Line 8, Column A, by Line 8, Column B, and carry to six places. Enter here and on **Form CT-1120, Schedule A, Line 2.**

Schedule S - Minimum Tax Base Apportionment

	Column A Connecticut	Column B Everywhere	Column C
Intangible Assets Average Monthly Net Book Value	1. (a) Cash	<input type="text" value=".00"/>	<input type="text" value=".00"/>
	(b) Notes and accounts receivable	<input type="text" value=".00"/>	<input type="text" value=".00"/>
	(c) Investments (other than stock)	<input type="text" value=".00"/>	<input type="text" value=".00"/>
	(d) Other	<input type="text" value=".00"/>	<input type="text" value=".00"/>
1. Total	<input type="text" value=".00"/>	<input type="text" value=".00"/>	Divide Line 3, Column A by Line 3, Column B.
Tangible Property Average Monthly Net Book Value	2. (a) Inventories	<input type="text" value=".00"/>	<input type="text" value=".00"/>
	(b) Depreciable assets	<input type="text" value=".00"/>	<input type="text" value=".00"/>
	(c) Land	<input type="text" value=".00"/>	<input type="text" value=".00"/>
	(d) Other	<input type="text" value=".00"/>	<input type="text" value=".00"/>
2. Total	<input type="text" value=".00"/>	<input type="text" value=".00"/>	Enter below and on Form CT-1120, Schedule B, Line 2. Carry to six places
Apportionment Fraction	3. Total: Add Line 1 and Line 2.	<input type="text" value=".00"/>	<input type="text" value="0."/>

Form CT-1120A Instructions

Complete this form in blue or black ink only.

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

Complete and file it as part of **Form CT-1120**, *Corporation Business Tax Return* only if the company carried on business within and outside Connecticut and was taxable in another state during the income year for which the return is filed.

A corporation entitled to apportion its income must complete *Schedule Q* or one of the special apportionment forms listed below. Special apportionment forms are applicable for the following business types:

- Air Carriers calculate their apportionment fraction on **Form CT-1120A-A**, *Corporation Business Tax Return Apportionment Computation - Air Carriers*.
- Companies whose income is derived from credit card activities calculate their apportionment fraction on **Form CT-1120A-CCA**, *Corporation Business Tax Return Apportionment Computation of Income From Credit Card Activities*.
- Manufacturers that report in NAICS Sectors 31, 32, or 33 that have 75% or more of its total gross receipts from the sale of tangible personal property directly, or in the case of a subcontractor, indirectly to the U.S. government may elect to calculate their apportionment fraction using a three factor formula consisting of tangible property, wages, salaries and other compensation, and double weighted receipts. The election is irrevocable for, and applicable for, five successive income years, and must be made on or before the due date or extended due date of the Corporation Business Tax Return for the income year.

To make this election, attach a statement with the apportionment factor calculation to this return.

- Broadcasters and Production Entities calculate their apportionment fraction on **Form CT-1120A-BPE**, *Corporation Business Tax Return Apportionment Computation - Broadcasters and Production Entities*.
- Securities Brokerage Services Companies calculate their apportionment fraction on **Form CT-1120A-SBC**, *Corporation Business Tax Return Apportionment Computation - Securities Brokerage Services*.
- Companies not otherwise conducting business in Connecticut, that are limited partners in a limited partnership doing business in Connecticut may elect to apportion their net income inside and outside Connecticut on **Form CT-1120A-LP**, *Corporation Business Tax Return Apportionment of Limited Partnership Interests*.
- Motor Bus Companies and Motor Carriers calculate their apportionment fraction on **Form CT-1120A-BMC**, *Corporation Business Tax Return Apportionment - Motor Bus and Motor Carrier Companies*. Income derived from sources other than carrying passengers or tangible property for hire must be apportioned by an apportionment fraction calculated on **Form CT-1120A**, *Schedule Q*.
- Financial Service Companies calculate their apportionment fraction on **Form CT-1120A-FS**, *Corporation Business Tax Return Apportionment Computation of Income From Financial Service Companies Activities*.
- Corporations that receive income from rendering services to or on behalf of regulated investment companies use **Form CT-1120A-IRIC**, *Corporation Business Tax Return Apportionment Computation of Income From Services to Regulated Investment Companies*.

Corporate Partner

A corporation that owns an interest in a partnership or joint venture should include its pro rata share of the partnership's or joint venture's receipts in the numerator and denominator of the Connecticut statutory apportionment formula, which is used to determine the corporation's portion of its total net income subject to the Connecticut Corporation Business Tax.

Schedule Q - Net Income Apportionment

Corporations not subject to industry-specific apportionment methods must use a single receipts factor to apportion income

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using market-based sourcing rules for sales of services and intangible property. Do not include receipts from the sale of property if the property is not held for sale in the ordinary course of business. See **Special Notice 2017(1)**, *Legislative Changes Regarding Single-Sales Factor Apportionment and Market-Based Sourcing*, for additional information.

Column A – Connecticut

Line 1 – Enter gross receipts from sales of tangible personal property delivered or shipped to a purchaser (other than a company which qualifies as a Domestic International Sales Corporation (DISC)) within Connecticut regardless of F.O.B. point or other conditions of sale.

Line 2 – Enter gross receipts from services, where the market for the services is within Connecticut. The market for the services is within Connecticut if and to the extent the service is used within Connecticut.

Line 3 – Enter gross receipts from the rental, lease or license of real or tangible personal property located within Connecticut.

Line 4 – Enter gross receipts from the rental, lease or license of intangible property if and to the extent the property is used within Connecticut. Intangible property utilized in marketing a good or service is used in Connecticut if that good or service is purchased by a consumer within Connecticut.

Line 5 – Enter gross receipts from interest managed or controlled within Connecticut.

Line 6 – Enter gross receipts from the sale or other disposition of real property or intangible property located, managed or controlled within Connecticut held for sale to customers in the ordinary course of business. Do not include receipts from property not held for sale in the ordinary course of business.

Schedule S - Minimum Tax Base Apportionment

Item 3. This apportionment factor must include the average monthly net book value of all assets exclusive of holdings of stock of private (nongovernmental) corporations. The intangible assets of a company that has its principal place of business within Connecticut are deemed to have a tax situs within Connecticut unless it can be clearly established that some or all of the assets are held in connection with business conducted during the income year outside Connecticut.

Apportionment in Special Cases

The statutory method is designed to produce a reasonable apportionment within and outside Connecticut, therefore, it must be used in all cases except those in which it has been determined by the Commissioner of Revenue Services that an exception should be made. While the statutory method may produce a result substantially different from that produced by some other method, that fact alone does not justify an exception. It is the responsibility of the taxpayer to show that the statutory apportionment fraction, when applied to its business, provides grossly inequitable results and that the income attributed to Connecticut is out of proportion to the business transacted in Connecticut. The variance must be significant enough to invalidate the assumption that the statutory method is reasonable.

The return of a taxpayer requesting relief from the statutory method of apportionment must be filed initially on the statutory basis using the formula methods prescribed in Conn. Gen. Stat. §§ 12-218, 12-218b, 12-219a, or 12-244 for computing the net income and the minimum tax base, together with: (1) payment of the tax due on the applicable base as so computed, and (2) a statement containing a specific alternate method. Data supporting the contention that the operation of the statutory method is grossly inequitable and attributes to Connecticut an undue proportion of the taxpayer's net income or minimum tax base must be provided. Permission to determine the tax on an alternate basis will not be considered in any case in which this procedure has not been strictly followed.

The Commissioner will notify the company as to whether the proposed alternate method of apportionment is accepted or rejected. If the proposed method is accepted, the tax will be adjusted.