

2018

FORM CT-1040

This booklet contains information and instructions for the following Forms and Schedules:

- Form CT-1040
- Schedule CT-EITC
- Schedule CT-PE
- Schedule CT-CHET
- Tax Tables
- Tax Calculation Schedule
- Use Tax Information



Connecticut Resident Income Tax Return Instructions

Important 2018 Connecticut Income Tax Topics:

File Electronically

File electronically ... it is secure, fast and free!
Visit portal.ct.gov/TSC to electronically file.
See *Taxpayer Service Center*, on Page 53.



Refund Options

Direct Deposit

Choose direct deposit for the fastest way to receive your Connecticut income tax refund. Direct deposit is not available for first time Connecticut filers.

See *Refund Options, Direct Deposit*, on Page 4.

Paper Check

If you do not elect or qualify for direct deposit, your refund will be issued by paper check. Processing a paper check may increase the time it takes for you to receive your refund.

Connecticut Earned Income Tax Credit

Full-year residents may be eligible to claim the Connecticut earned income tax credit (CT EITC).

See *CT EITC* on Page 6.

Protecting Taxpayer Information and Refunds

Security of taxpayer information and financial transactions is a top priority for DRS to better protect your personal information and assure that refunds are delivered to their rightful owners.

See *Protecting Taxpayer Security*, on Page 16.

File early to protect your refund from identity thieves.

“The Department of Revenue Services (DRS) seeks to achieve the highest level of voluntary tax compliance and provide excellent customer service. DRS publications, like this one, are designed to provide taxpayers with the tools needed to complete their tax filings. When you are ready to file, visit the online **Taxpayer Service Center (TSC)**, which is user-friendly, secure, and ensures a faster refund.

If you have questions, please contact DRS. We welcome your ideas and suggestions on how we can better serve the public.”

Commissioner Scott D. Jackson

What's New

Property Tax Credit Limitation

For taxable year 2018, in order to qualify for the property tax credit, you, or your spouse if married filing jointly, must be 65 years of age or older by the end of the taxable year, **or** you must have claimed at least one dependent on your federal income tax return. The maximum income tax credit for taxes paid to Connecticut municipalities remains at \$200. The phase-out thresholds for all filing statuses remain at the 2017 levels.

IRC § 168(k) Bonus Depreciation Modifications

The federal Tax Cuts and Jobs Act of 2017 increased the § 168(k) bonus depreciation percentage from 50 percent to 100 percent for qualified property acquired and placed in service after September 27, 2017, and before January 1, 2023.

Addition modification: For taxable years beginning on or after January 1, 2017, in determining a taxpayer's Connecticut Adjusted Gross Income (AGI), a taxpayer is required to add back any § 168(k) bonus depreciation amount reported for federal income tax purposes for property placed in service after September 27, 2017. This addition modification applies to the extent such amount is deducted in determining the taxpayer's federal AGI for the taxable year.

This addition modification must be made on Form CT-1040, *Schedule 1*, Line 36; Form CT-1040NR/PY, *Schedule 1*, Line 38; or Form CT-1040X, *Schedule 1*, Line 36, for taxable years beginning on or after January 1, 2018.

Taxpayers who reported this deduction on their federal return for taxable year 2017, were required to file amended Connecticut income tax returns to report this amount as an addition modification. DRS published guidance in **OCG-5, Office of the Commissioner Guidance Regarding the Treatment of Bonus Depreciation for Connecticut Income Tax Purposes.**

Subtraction modification: Where a taxpayer reports the § 168(k) amount as an addition modification on the Connecticut income tax return, the taxpayer will be allowed, in computing his or her Connecticut AGI, to subtract from his or her federal AGI 25% of such § 168(k) amount in each of the four succeeding taxable years.

The subtraction modification is made on Form CT-1040, *Schedule 1*, Line 48a; Form CT-1040NR/PY, *Schedule 1*, Line 50a; or Form CT-1040X, *Schedule 1*, Line 48a.

Taxpayers who were required to amend their 2017 Connecticut income tax return to add back the § 168(k) amount are allowed to deduct 25% of that amount beginning in taxable year 2018.

See *OCG-5* for additional information.

This provision affects individuals, partnerships, limited liability companies treated as partnerships for federal income tax purposes, and S corporations.

Income Tax Exemption for Teacher Pensions

For taxable years beginning on or after January 1, 2018, in determining a taxpayer's Connecticut AGI, a taxpayer is allowed a subtraction modification of 25% of the income received from the state teacher's retirement system.

This modification applies to the extent such income is properly included in the taxpayer's federal AGI for the taxable year.

IRC § 179 Modifications

The federal Tax Cuts and Jobs Act of 2017, allows a taxpayer to expense the cost of any § 179 property and deduct it on their federal return in the year the property is placed in service.

Addition modification: For taxable years beginning on or after January 1, 2018, in determining a taxpayer's Connecticut AGI, a taxpayer is required to add back 80% of

the § 179 amount deducted for federal income tax purposes for the taxable year. This addition modification applies to the extent such amount is deducted in determining the taxpayer's federal AGI for the taxable year.

This addition modification must be made on Form CT-1040, *Schedule 1*, Line 36a; Form CT-1040NR/PY, *Schedule 1*, Line 38a; or Form CT-1040X, *Schedule 1*, Line 36a, for taxable years beginning on or after January 1, 2018.

Where a taxpayer reports the § 179 amount as an addition modification on the Connecticut income tax return, the taxpayer will be allowed, in computing his or her Connecticut AGI, to subtract from his or her federal AGI 25% of such § 179 amount in each of the four succeeding taxable years.

This provision affects individuals, partnerships, limited liability companies treated as partnerships for federal income tax purposes, and S corporations.

Paid Preparers

If you are a paid tax preparer preparing any Connecticut personal income tax return(s), you are required to comply with certain requirements. You are also required to obtain a tax preparer permit from DRS. See **Special Notice 2017(8)**, *New Requirements for Income Tax Preparers and Facilitators of Refund Anticipation Loans or Checks*, and **Special Notice 2018(8)**, *Permit Requirements for Tax Preparers and Facilitators*.

Convenience of the Employer Test

For taxable years beginning on or after January 1, 2019, residents of states with a "convenience of the employer" test will be subject to similar rules for work performed for a Connecticut employer. Generally, in a state that applies this test, wages earned by a nonresident are allocated to the employer's location unless the nonresident works from an out-of-state location due to the necessity of the employer rather than the convenience of the employee.

For example, in determining whether income earned by a New York resident individual telecommuting for a Connecticut employer will be deemed Connecticut-sourced income, Connecticut will apply the New York "convenience of the employer" test.

Similarly, Connecticut residents working from Connecticut for an employer in a state that applies the "convenience of the employer" test will be allowed a credit for taxes paid to such other state on the income deemed to be sourced from such state based on the application of the "convenience of the employer" test.

Bioscience Investment Income Subtraction Modification

For taxable years beginning on or after January 1, 2018, in determining his or her Connecticut AGI, a general partner of a qualified venture capital fund is allowed a deduction for the income generated by investments in eligible Connecticut bioscience businesses.

For purposes of this deduction, a **general partner** is:

- A partner of a general partnership;
- A general partner of a limited partnership that is treated as a partnership for federal income tax purposes; **and**
- A partner of a limited liability partnership.

It includes a member of a limited liability company that is treated as a partnership for federal income tax purposes if 1) such company is managed by managers and such member is a member-manager of such company, or 2) such company is not managed by managers.

A general partner must use **Schedule CT-BIO**, *Bioscience Worksheet*, to calculate the amount of the subtraction modification. The subtraction modification must be made on Form CT-1040, *Schedule 1*, Line 49; Form CT-1040NR/PY, *Schedule 1*, Line 51; or Form CT-1040X, *Schedule 1*, Line 49, and enter "Bio Science" in the space provided.

This subtraction modification applies to the extent such amount is included in determining the taxpayer's federal AGI for the taxable year.

Penalty for Failure to Disclose Reportable Transactions

For audits of returns on or after January 1, 2018, a 75% penalty will apply for failure to disclose reportable transactions on the Connecticut return that are also required to be disclosed for federal purposes. Additionally, a six-year statute of limitations for assessment applies to returns that fail to disclose a reportable transaction.

PE Tax Credit

For taxable years beginning on or after January 1, 2018, pass-through entities (partnerships, S corporations, limited liability companies that are treated as partnerships or S corporations for federal income tax purposes) that carry on business in Connecticut or have income derived from Connecticut sources will be subject to a Connecticut pass-through entity tax (PE Tax).

If you are a partner or member of a pass-through entity required to pay the PE Tax, you will be allowed a credit (PE Tax Credit) for your share of the PE Tax imposed on the pass-through entity. The amount of the PE Tax Credit is equal to your direct and indirect pro-rata share of the PE Tax paid by the pass-through entity multiplied by 93.01%. You can use the PE Tax Credit against your Connecticut income tax liability. If your credit exceeds your Connecticut income tax liability, the excess will be considered an overpayment, and will be refunded to you without interest. If your PE Tax Credit is not sufficient to offset your Connecticut income tax liability, you are required to remit the balance of your tax due.

The PE will report the amount of your credit on **Schedule CT K-1, Member's Share of Certain Connecticut Items**. If you are a beneficiary of a trust or estate that is a partner or member of a pass-through entity required to pay the PE Tax, your **Schedule CT-1041 K-1, Beneficiary's Share of Certain Connecticut Items**, will report the amount of the PE

Tax Credit you are allowed to claim on your Connecticut income tax return. You must complete **Schedule CT-PE, Pass-Through Entity Tax Credit**, include the total from Line 1, Schedule CT-PE, on Form CT-1040, Line 20c; Form CT-1040NR/PY, Line 22b; or Form CT-1040X, Line 22c.

If on or before December 31, 2018, you requested any of your 2018 Connecticut income tax estimated payments to be transferred (recharacterized) as 2018 PE Tax estimated payments to one or more pass-through entities of which you are a member, do not include those payments on Form CT-1040, Line 19; Form CT-1040NR/PY, Line 21; Form CT-1040X, Line 22; or Form CT-1041, Line 11.

Resident and part-year resident members are entitled to a credit for taxes paid to another jurisdiction on income from such other jurisdiction from pass-through entities subject to the Connecticut PE Tax, if the tax paid to such other jurisdiction is substantially similar to the PE Tax. To date, DRS has not identified any substantially similar taxes.

REFUND OPTIONS

Direct Deposit

The fastest way to get your refund is to file your return electronically and elect direct deposit. Choosing direct deposit allows **the money to go directly into your bank account; it eliminates the possibility of the refund being lost, stolen or returned as undeliverable; and it saves tax dollars by costing the government less.**

Make your direct deposit successful by:

- Confirming your account number and routing number with your financial institution and entering them clearly on your tax return;
- Entering the direct deposit information separately for both your federal and state electronically filed returns; **and**
- Printing your software-prepared paper return only after you have entered the direct deposit information into the program.

Some financial institutions do not allow a joint refund to be deposited into an individual account.

In an effort to reduce fraud, direct deposit is not available to first-time Connecticut income tax filers.

Paper Check

If you do not elect or qualify for direct deposit, a refund check will be issued and processing may be delayed.

DRS recommends that taxpayers who are not first time Connecticut income tax filers choose direct deposit ... the most reliable and fastest way to receive your refund.

Q & A About the Connecticut Individual Use Tax

1. What is use tax?

Connecticut taxpayers owe **use tax** on purchases of taxable goods or services when Connecticut sales tax is not collected at the time of sale. Most often, this results from purchases made online or out-of-state. Together, sales and use taxes ensure that taxable purchases of goods and services used in Connecticut are treated equally and fairly.

2. Who pays use tax?

If Connecticut sales tax is not paid to the retailer at the time of purchase, Connecticut law requires that the purchaser pay use tax directly to the DRS.

3. On what kinds of goods or services must I pay use tax?

You must pay use tax on taxable goods, whether purchased, leased or rented, and taxable services. Taxable goods include: furniture, jewelry, automobiles, appliances, cameras, computers, and computer software. Taxable services include: repair services to your television, motor vehicle, or computer; landscaping services for your home; and reupholstering services for your household furniture.

4. Are there exemptions from the use tax?

Yes. Generally, any purchase or lease of goods or services exempt from Connecticut sales tax is also exempt from Connecticut use tax. Some examples are newspapers, magazines by subscription, Internet access services, and repair and maintenance services to vessels.

5. Do I owe Connecticut use tax on all my out-of-state purchases of goods that are taxable in Connecticut?

No. If all the goods purchased and brought into Connecticut at one time total \$25 or less, you do not have to pay Connecticut use tax – but the \$25 exemption does not apply to goods shipped or mailed to you.

Generally, if you purchase taxable goods from mail order companies, over the Internet or at an out-of-state location and had those goods shipped to Connecticut or brought back into Connecticut for use in Connecticut and did not pay Connecticut sales tax, you must pay the Connecticut use tax.

6. What are the use tax rates?

Use tax rates are the same as sales tax rates. The general rate is 6.35% for purchases of taxable goods or services. The rate on computer and data processing services is 1%. However, the sales tax rate on certain items of tangible personal property is 7.75%. The rate for vessels, motors for vessels, and trailers to transport vessels is 2.99%. (See *Schedule 4, Individual Use Tax*, on Page 34.)

7. When must individuals pay use tax?

You must pay use tax no later than April 15 for purchases made during the preceding calendar year (January - December). Your use tax liability may be reported either on Form OP-186, Form CT-1040, Form CT-1040NR/PY, or Form CT-1040X. If you are not required to file a Connecticut income tax return, you must file and pay your use tax liability using Form OP-186 no later than April 15. You may file one Form OP-186 for the entire

year or you may file several returns throughout the year. If you are engaged in a trade or business, you must register with DRS for business use tax and report purchases made in connection with your trade or business on **Form OS-114, Sales and Use Tax Return**.

8. Are there penalties and interest for not paying the use tax?

Yes. The penalty is 10% of the tax due. Interest is charged at the rate of 1% per month from the due date of the tax return. There are also criminal sanctions for willful failure to file a tax return. When you sign an annual income tax return, you are legally declaring the truthfulness, completeness, and correctness of all information – including the section for use tax payment.

9. How does an individual calculate their use tax liability?

Calculate the use tax by multiplying the total cost of the taxable goods or services purchased, including separately stated charges such as shipping and handling, by the applicable sales tax rate (1%, 2.99%, 6.35%, or 7.75%).

10. What if I buy taxable goods or services in another state and the vendor charges sales tax for the other state?

If goods or services are purchased for use in Connecticut and the tax paid in the other state is less than the Connecticut tax, you must report and pay Connecticut use tax equal to the difference between the Connecticut tax and the tax paid to the other state.

11. What if I do not report and pay the use tax I owe?

You and your preparer **must** sign and declare that your income tax filing is “true, complete, and correct.” **That includes calculating and reporting on Line 15 all purchases of goods or services, whether in Connecticut or from outside the state, on which Connecticut sales tax was due but not paid.** Failure to report use tax due on Line 15 and include that amount in the total amount due on Line 30 may subject you to a penalty of up to \$5,000, imprisonment for up to 5 years, or both. For more information on Connecticut Individual Use Tax, please review **Informational Publication 2016(19), Q&A on the Connecticut Individual Use Tax.**

Sample Use Tax Table

Total Purchases Subject to Use Tax	Use Tax Due at:		Total Purchases Subject to Use Tax	Use Tax Due at:	
	6.35%	7.75%		6.35%	7.75%
\$25	\$1.59	—	2,100	133.35	162.75
50	3.18	—	2,200	139.70	170.50
75	4.76	—	2,300	146.05	178.25
100	6.35	—	2,400	152.40	186.00
150	9.53	—	2,500	158.75	193.75
200	12.70	—	2,600	165.10	201.50
250	15.88	—	2,700	171.45	209.25
300	19.05	—	2,800	177.80	217.00
350	22.23	—	2,900	184.15	224.75
400	25.40	—	3,000	190.50	232.50
450	28.58	—	3,100	196.85	240.25
500	31.75	—	3,200	203.20	248.00
550	34.93	—	3,300	209.55	255.75
600	38.10	—	3,400	215.90	263.50
650	41.28	—	3,500	222.25	271.25
700	44.45	—	3,600	228.60	279.00
750	47.63	—	3,700	234.95	286.75
800	50.80	—	3,800	241.30	294.50
850	53.98	—	3,900	247.65	302.25
900	57.15	—	4,000	254.00	310.00
1,000	63.50	—	4,100	260.35	317.75
1,100	69.85	85.25	4,200	266.70	325.50
1,200	76.20	93.00	4,300	273.05	333.25
1,300	82.55	100.75	4,400	279.40	341.00
1,400	88.90	108.50	4,500	285.75	348.75
1,500	95.25	116.25	4,600	292.10	356.50
1,600	101.60	124.00	4,700	298.45	364.25
1,700	107.95	131.75	4,800	304.80	372.00
1,800	114.30	139.50	4,900	311.15	379.75
1,900	120.65	147.25	5,000	317.50	387.50
\$2,000	127.00	155.00			

Connecticut Earned
Income Tax Credit

CT EITC

You earned it, claim it.

When filing your return, don't forget the Connecticut Earned Income Tax Credit.

- To qualify for the Connecticut Earned Income Tax Credit (CT EITC), you must be a **full-year Connecticut resident**. Part-year residents and nonresidents with Connecticut-sourced income do not qualify for the CT EITC and must file Form CT-1040NR/PY.
- Qualified taxpayers claim the CT EITC by completing **Schedule CT-EITC, Connecticut Earned Income Tax Credit** (included in this book).
- Schedule CT-EITC **must** be attached to Form CT-1040 (or Form CT-1040X) or the claim for credit will not be reviewed.
- The CT EITC is equal to 23% of the amount of the federal earned income credit claimed and allowed.



DRS EITC
Website

See *Schedule CT-EITC - Connecticut Earned Income Tax Credit*, on Page 35.

Connecticut taxpayers may obtain help filing Schedule CT-EITC by visiting portal.ct.gov/DRS. See the back cover for more Connecticut tax information.

Connecticut Organ Donor (♥)

Give the gift of hope by registering to become an organ and tissue donor. Information about organ donation and various organ donor programs is available from the following websites.



Donate Life Connecticut
www.ctorganandtissuedonation.org/



United Network for Organ Sharing (UNOS)
www.unos.org/



Organ Donation
www.organdonor.gov/



LifeChoice Donor Services
www.lifechoiceopo.org/



National Marrow Donor Program
Be The Match Registry
www.bethematch.org/



New England Organ Bank
www.neob.org/

Contributions to Designated Charities

Below is a list of charities for which you may use your tax return to contribute all or a portion of your refund. Enter your total contributions on **Form CT-1040, Connecticut Resident Income Tax Return, Schedule 5, Line 70. Your contribution is irrevocable.**

To contribute directly, send your contribution to the address shown below.

Designated Charity:	Mailing Address:	Make checks payable to:
Aids Research Education Fund	Assists research, education, and community service programs related to Acquired Immune Deficiency Syndrome (AIDS).	Department of Public Health - HIV Prevention Program MS #11APV PO Box 340308 Hartford CT 06134-0308
Breast Cancer Research and Education Fund	Assists research, education, and community service programs related to breast cancer.	Department of Public Health - Community Health and Prevention Section MS #11 CCS PO Box 340308 Hartford CT 06134-0308
CHET Baby Scholars Fund	Provides contributions of up to \$250 for CHET college savings accounts opened for children under age one or newly adopted.	Office of the State Treasurer CHET, 7th Floor 55 Elm Street Hartford, CT 06106
Endangered Species, Natural Area Preserves, and Watchable Wildlife Fund	Helps preserve, protect, and manage Connecticut's endangered plants and animals, wildlife and their habitats.	Department of Energy & Environmental Protection Bureau of Administration Financial Management 79 Elm Street Hartford CT 06106-1591
Military Relief Fund	Makes grants to the immediate family members of service members domiciled in Connecticut for essential goods and services when military service creates family financial hardship.	Military Department, Military Relief Fund Fiscal Office 360 Broad St Hartford CT 06105-3795
Organ Transplant Fund	Assists Connecticut residents in paying for the unmet medical and ancillary needs of organ transplant candidates and recipients.	Department of Social Services Accounts Receivable 55 Farmington Ave Hartford CT 06105
Safety Net Services Fund	Protects the children of families who are no longer eligible for public assistance benefits.	Department of Social Services Accounts Receivable 55 Farmington Ave Hartford CT 06105
Mental Health Community Investment Account	Funds mental health prevention, treatment and recovery services delivered by private not for profit agencies in local communities.	Department of Mental Health and Addiction Services, Fiscal Division MS#14FIS PO Box 341431 Hartford, CT 06134

Important Information

Tax Assistance

DRS is ready to help you get answers to your Connecticut tax questions. Visit the DRS website at portal.ct.gov/DRS or call **800-382-9463** (Connecticut calls outside the Greater Hartford calling area only) or **860-297-5962** (from anywhere) during business hours, Monday through Friday, 8:30 a.m. to 4:30 p.m.

For walk-in assistance, refer to the back cover for a list of DRS offices. If you visit, be sure to bring:

- **Copy 2** of your federal Forms W-2 and any other forms showing Connecticut income tax withholding;
- Your Schedules CT K-1 and Schedules CT-1041 K-1 showing a PE Tax Credit allocated to you (if applicable);
- Your Social Security Number (SSN) card, photo identification, and proof of qualifying property tax payments if you are claiming a property tax credit; **and**
- Your **completed** federal income tax return.

Forms and Publications

Visit the DRS website at portal.ct.gov/DRS to download and print Connecticut tax forms and publications anytime.

Connecticut Form 1099-G

If you itemize your deductions for federal income tax purposes and wish to obtain your Connecticut Form 1099-G information, you may do so by visiting portal.ct.gov/DRS, select *For Individuals* and select *Get Form 1099-G*. DRS will not mail paper copies of the Connecticut Form 1099-G.

Avoid Delaying Your Refund

Follow these tips to avoid errors and to help us process your refund faster:

- Be sure you have received all your federal Forms W-2, 1099, and Schedules CT K-1 before filing your Connecticut income tax return. Generally, you receive Forms W-2 and 1099 on or before January 31 and Schedules CT K-1 on or before March 15. If you receive an additional federal Form W-2, 1099, or Schedule CT K-1 after filing your Connecticut income tax return, you may be required to file **Form CT-1040X**, *Amended Connecticut Income Tax Return for Individuals*. See *Amended Returns*, on Page 37.
- Most taxpayers qualify to electronically file their Connecticut income tax return. See *Filing the Connecticut Income Tax Return Electronically*, on Page 9.
- You **must** use blue or black ink to complete your paper return.
- Complete and send all four pages of your return. If you do not provide DRS with all the completed pages of your return or do not provide all required information, the processing of your return will be delayed.
- Do not send Forms W-2, Forms 1099, or Schedules CT K-1** with your Connecticut income tax return.

Complete Columns A, B, and C of Section 3 of your return and **Schedule CT-PE**, *Pass-Through Entity Tax Credit*, if applicable. DRS will disallow your Connecticut withholding or PE Tax Credit if you fail to complete all columns or required schedules.

- Enter your name, mailing address, your SSN or ITIN, and the name and SSN or ITIN for your spouse (if filing a joint return), and attach all required schedules or forms. If you do not provide an SSN or ITIN for all taxpayers, DRS can not process your tax return.
- Check the correct filing status on your return.
- Sign your return. If you and your spouse are filing jointly, both of you must sign.
- Have your paid preparer sign the return and enter their tax preparer tax identification number (PTIN) issued by the Internal Revenue Service in the space provided.
- Check the box next to the deceased taxpayer's SSN if you are an executor, administrator, or spouse filing a return for a deceased taxpayer.
- Check the box on the first page of your return if you are filing **Form CT-1040CRC**, *Claim of Right Credit*.
- Check the box on the first page of your return if you are filing **Form CT-2210**, *Underpayment of Estimated Income Tax by Individuals, Trust, and Estates*.
- Check the box on the first page of your return if you are filing **Form CT-8379**, *Nonobligated Spouse Claim*. See *Nonobligated Spouse*, on Page 16.
- If you filed joint estimated tax payments but elect or are required to file separate income tax returns, both you and your spouse must file your income tax returns at the same time. No refund will be processed until both Connecticut returns are received.
- Use the correct DRS mailing address on the envelope when filing your paper return. One address is for all tax forms with payment. The other address is for refunds and all other tax forms without payment. See *Mailing Addresses for Form CT-1040*, on Page 13.
- If you qualify to claim the Connecticut Earned Income Tax Credit (CT EITC), complete and attach **Schedule CT-EITC**, *Connecticut Earned Income Tax Credit*. **Part-year residents and Nonresidents** of Connecticut do not qualify for the CT EITC.
- Elect direct deposit, by completing Lines 25a through 25c, for the fastest way to receive your refund. This option is **not** available to first-time filers. If you do not elect direct deposit, a refund check will be issued and refund processing may be delayed.
- If you have additional tax due with your electronically filed income tax return, and you elect not to pay electronically, send your payment with the **Form CT-1040V**, *Connecticut Electronic Filing Payment Voucher*. Do not send a paper copy of your electronically filed return with the payment.

- If you are filing an estimated income tax payment that is due April 15 using the **CT-1040ES**, *Estimated Connecticut Income Tax Payment Coupon for Individuals*, and you are filing a **CT-1040V**, *Connecticut Electronic Filing Payment Voucher*, to pay any additional tax due, make sure you include the correct payment that corresponds with each form.
- If you are completing **Form CT-2210**, *Underpayment of Estimated Income Tax by Individuals, Trusts, and Estates*, to calculate interest due or lower or eliminate interest that would otherwise apply on your underpaid estimated Connecticut income tax, make sure you check the appropriate box on Part 1, *Reasons For Filing*, if applicable.
- Do not include estimated payments that you recharacterized to a pass-through entity of which you are a member or partner.

Who Must File a Connecticut Resident Return

You must file a Connecticut resident income tax return if you were a resident for the entire year **and** any of the following is true for the 2018 taxable year:

- You had Connecticut income tax withheld;
- You made estimated tax payments to Connecticut or a payment with Form CT-1040 EXT;
- You had a PE Tax Credit amount which does not fully offset your Connecticut tax liability;
- You meet the Gross Income Test;
- You had a federal alternative minimum tax liability; **or**
- You are claiming the Connecticut earned income tax credit (CT EITC).

If none of the above apply, do not file a Connecticut resident income tax return.

Gross income means all income you received in the form of money, goods, property, services not exempt from federal income tax, **and** any additions to income required to be reported on **Form CT-1040**, *Schedule 1*.

Gross income includes income from all sources within Connecticut and outside of Connecticut. Gross income includes but is not limited to:

- Compensation for services, including wages, fees, commissions, taxable fringe benefits, and similar items;
- Gross income from a business;
- Capital gains;
- Interest and dividends;
- Gross rental income;
- Gambling winnings;
- Alimony;
- Taxable pensions and annuities;
- Prizes and awards;
- Your share of income from partnerships, S corporations, estates, or trusts;
- IRA distributions;
- Unemployment compensation;

- **Federally taxable** Social Security benefits; **and**
- **Federally taxable** disability benefits.

Gross Income Test

You must file a Connecticut income tax return if your gross income for the 2018 taxable year exceeds:

- \$12,000 and you are married filing separately;
- \$15,000 and you are filing single;
- \$19,000 and you are filing head of household; **or**
- \$24,000 and you are married filing jointly or qualifying widow(er) with dependent child.

The following examples explain the gross income test for a Connecticut resident:

Example 1: Your only income is from a sole proprietorship and you file federal Form 1040 reporting the following on Schedule C:

Gross Income	\$100,000
Expenses	(\$92,000)
Net Income	\$8,000

Because the **gross** income of \$100,000 exceeds the minimum requirement, you must file a Connecticut income tax return.

Example 2: You received \$8,000 in federally nontaxable Social Security benefits and \$11,000 in interest income. Since nontaxable Social Security benefits are not included in gross income, you do not have to file a Connecticut income tax return unless Connecticut tax was withheld or estimated tax payments were made.

Example 3: You are a single individual. You received \$15,000 in wage income and \$1,000 in federally-exempt interest from California state bonds. Your gross income (federal adjusted gross income with any additions to income from Form CT-1040, *Schedule 1*, Line 31, Interest on state and local government obligations other than Connecticut) is \$16,000. Therefore, you must file a Connecticut income tax return.

Filing the Connecticut Income Tax Return Electronically

Most Connecticut taxpayers are able to use the DRS **Taxpayer Service Center (TSC)** to file their Connecticut income tax return at portal.ct.gov/TSC. Electronically filing and paying your taxes is easy and accurate. It provides you with confirmation of receipt and reduces the possibility of errors.

While some taxpayers may be reluctant to make electronic payments for security reasons, we want to assure you that our electronic funds transfer is safe and secure.

You may electronically file your Connecticut income tax return through the **TSC** if all of the following are true:

- You filed a Connecticut income tax return in the last three years; or you have never filed a Connecticut income tax return, but you have a valid Connecticut driver's license or Connecticut non-driver ID;

- Your filing status is the same as the last return DRS has on file, or, if your filing status changed since your last filing, your new filing status is displayed in the drop-down menu. If your new filing status is not displayed in the drop-down menu, visit the DRS website at portal.ct.gov/DRS and select *For Individuals* for information on other e-filing options;
- You are not filing **Form CT-1040CRC**, *Claim of Right Credit*;
- You are not filing **Form CT-19IT**, *Title 19 Status Release Form*;
- You have no more than ten Forms W-2 or 1099 that show Connecticut income tax withheld; **and**
- You have no more than ten Schedules CT K-1 and Schedules CT-1041 K-1 showing a PE Tax Credit allocated to you.

Do not send a paper copy of your electronically filed return with the payment. Send only **Form CT-1040V**, *2018 Connecticut Electronic Filing Payment Voucher*, with your payment.

Relief From Joint Liability

In general, if you and your spouse file a joint income tax return, you are both responsible for paying the full amount of tax, interest, and penalties due on your joint return. However, in very limited and specific cases, relief may be granted if you believe all or any part of the amount due should be paid only by your spouse.

You may request consideration by filing **Form CT-8857**, *Request for Innocent Spouse Relief (And Separation of Liability and Equitable Relief)*.

The statute of limitations for requesting innocent spouse relief or separation of liability is two years from the date on which the DRS begins collection activities against you.

For equitable relief requests, the statute of limitations applicable to federal equitable relief requests will be applicable to Connecticut equitable relief requests. This statute of limitations is applicable to all open equitable relief requests.

See **Policy Statement 2016(2)**, *Innocent Spouse Relief, Separation of Liability, and Equitable Relief*.

Title 19 Recipients

If you are a Title 19 recipient, you must file a Connecticut income tax return if you meet the requirements for *Who Must File a Connecticut Resident Return* on Page 9.

However, if you do not have funds to pay your Connecticut income tax, complete **Form CT-19IT**, *Title 19 Status Release*, and attach it to the **front** of your Connecticut income tax return if the following two conditions apply:

- You were a Title 19 recipient during 2018; **and**
- Medicaid assisted in the payment of your long-term care in a nursing or convalescent home during 2018.

Completing this form authorizes DRS to verify your Title 19 status for 2018 with the Department of Social Services.

Deceased Taxpayers

An executor, administrator, or surviving spouse must file a Connecticut income tax return, for that portion of the year before the taxpayer's death, for a taxpayer who died during the year if the requirements for *Who Must File a Connecticut Resident Return* are met. The executor, administrator, or surviving spouse **must** check the box next to the deceased taxpayer's SSN on the front page of the return; sign for the deceased taxpayer on the signature line; and indicate the date of death.

Generally, the Connecticut and federal filing status must be the same. A surviving spouse may file a joint Connecticut income tax return if the surviving spouse filed a joint federal income tax return. Write "filing as surviving spouse" in the deceased spouse's signature line on the return. If both spouses died in 2018, their legal representative must file a final return.

Claiming a Refund for a Deceased Taxpayer

If you are a surviving spouse filing jointly with your deceased spouse, you may claim the refund on the jointly-filed return. If you are a court-appointed representative, file the return **and** attach a copy of the certificate that shows your appointment. All other filers requesting the deceased taxpayer's refund must file the return and attach federal Form 1310, *Statement of Person Claiming Refund Due a Deceased Taxpayer*, to the front of the return.

Refund claims for deceased taxpayers should be made as soon as possible during the annual filing period. Under federal law, personal Social Security Numbers are not protected after death and will be disclosed by the Social Security Administration upon request. This is a major cause of fraudulent refund claims filed and paid before the legitimate taxpayer's claim is filed.

Income received by the estate of the decedent for the portion of the year after the decedent's death, and for succeeding taxable years until the estate is closed, must be reported each year on **Form CT-1041**, *Connecticut Income Tax Return for Trusts and Estates*.

Special Information for Nonresident Aliens

If you are a nonresident alien, you must file a Connecticut income tax return if you meet the requirements of *Who Must File a Connecticut Resident Return*, on Page 9. In determining whether you meet the gross income test, you must take into account any income not subject to federal income tax under an income tax treaty between the United States and the country of which you are a citizen or resident. Income tax treaty provisions are disregarded for Connecticut income tax purposes. Any treaty income you report on federal Form 1040NR or Form 1040NR-EZ and not subject to federal income tax must be added to your federal adjusted gross income. See **Form CT-1040**, *Schedule 1*, Line 37, or **Form CT-1040NR/PY**, *Schedule 1*, Line 39.

If you do not have and are not eligible for a Social Security Number (SSN), you must obtain an Individual Taxpayer Identification Number (ITIN) from the IRS and enter it in the space provided for an SSN.

You must have applied for and been issued an ITIN before you file your income tax return. However, if you have not received your ITIN by April 15, file your return without the ITIN, enter *Applied For* or *NRA* in the SSN field, pay the tax due, and attach a copy of federal Form W-7, Application for IRS Individual Taxpayer Identification Number. DRS will contact you upon receipt of your return and will hold your return until you receive your ITIN and you forward the information to us. DRS cannot process your return until we receive the ITIN.

A married nonresident alien may not file a joint Connecticut income tax return unless the nonresident alien is married to a citizen or resident of the United States and they have made an election to file a joint federal income tax return and they do, in fact, file a joint federal income tax return. Any married individual filing federal Form 1040NR or federal Form 1040NR-EZ is not eligible to file a joint federal income tax return or a joint Connecticut income tax return and must file a Connecticut income tax return as filing separately.

Resident, Part-Year Resident, or Nonresident

The following terms are used in this section:

Domicile (permanent legal residence) is the place you intend to have as your permanent home. It is the place you intend to return to whenever you are away. You can have only one domicile although you may have more than one place to live. Your domicile does not change until you move to a new location and definitely intend to make your permanent home there. If you move to a new location but intend to stay there only for a limited time (no matter how long), your domicile does not change. This also applies if you are working in a foreign country.

Permanent place of abode is a residence (a building or structure where a person can live) that you permanently maintain, whether or not you own it, and generally includes a residence owned by or leased to your spouse. A place of abode is not permanent if it is maintained only during a temporary stay for the accomplishment of a particular purpose.

Resident

You are a **resident** for the 2018 taxable year if:

- Connecticut was your domicile (permanent legal residence) for the entire 2018 taxable year; **or**
- You were not domiciled in Connecticut but you maintained a permanent place of abode in Connecticut during the entire 2018 taxable year **and** spent a total of more than 183 days in Connecticut during the 2018 taxable year.

Nonresident aliens who meet either of these conditions are considered Connecticut residents even if federal Form 1040NR-EZ or federal Form 1040NR is filed for federal income tax purposes. See also *Special Rules for Married Individuals* on Page 18 and *Special Information for Nonresident Aliens* on Page 10.

If you are a resident and you meet the requirements for *Who Must File a Connecticut Resident Return* for the 2018 taxable year, you must file **Form CT-1040**.

Part-Year Resident

You are a **part-year resident** for the 2018 taxable year if you changed your permanent legal residence by moving into or out of Connecticut during the 2018 taxable year. If you are a part-year resident, you may not elect to be treated as a resident individual.

If you are a part-year resident and you meet the requirements for *Who Must File Form CT-1040NR/PY* for the 2018 taxable year, you must file **Form CT-1040NR/PY**, *Connecticut Nonresident and Part-Year Resident Income Tax Return*.

Nonresident

You are a **nonresident** for the 2018 taxable year if you are neither a resident nor a part-year resident for the 2018 taxable year.

If you are a nonresident and you meet the requirements for *Who Must File Form CT-1040NR/PY* for the 2018 taxable year, you must file Form CT-1040NR/PY.

If you meet **all** of the conditions in Group A or Group B, you may be treated as a nonresident for 2018 even if your domicile was Connecticut.

Group A

1. You did not maintain a permanent place of abode in Connecticut for the entire 2018 taxable year;
2. You maintained a permanent place of abode outside of Connecticut for the entire 2018 taxable year; **and**
3. You spent not more than 30 days in the aggregate in Connecticut during the 2018 taxable year.

Group B

1. You were in a foreign country for at least 450 days during any period of 548 consecutive days;
2. During this period of 548 consecutive days, you did not spend more than 90 days in Connecticut and you did not maintain a permanent place of abode in Connecticut at which your spouse (unless legally separated) or minor children spent more than 90 days; **and**
3. During the nonresident portion of the taxable year in which the 548-day period begins, and during the nonresident portion of the taxable year in which the 548-day period ends, you were present in Connecticut for no more than the number of days that bears the same ratio to 90 as the number of days in the portion of the taxable year bears to 548. See the calculation below:

Number of days in the nonresident portion	x 90	=	Maximum days allowed in Connecticut
548			

See **Special Notice 2000(17)**, *2000 Legislation Affecting the Connecticut Income Tax*.

Military Personnel Filing Requirements

Military personnel and their spouses who claim Connecticut as a residence but are stationed elsewhere are subject to Connecticut income tax.

If you enlisted in the military service as a Connecticut resident and have not established a new domicile (permanent legal residence) elsewhere, you are required to file a resident income tax return unless you meet all of the conditions in Group A or Group B for being treated as a nonresident. See *Resident, Part-Year Resident, or Nonresident*, on Page 11.

If your permanent home (domicile) was outside Connecticut when you entered the military, you do not become a Connecticut resident because you are stationed and live in Connecticut. As a nonresident, your military pay is not subject to Connecticut income tax. However, income you receive from Connecticut sources while you are a nonresident may be subject to Connecticut income tax. See the instructions for a Connecticut nonresident contained in the instruction booklet for Form CT-1040NR/PY. See *Example*, below.

Example: Jill is a resident of Florida. She enlisted in the Navy in Florida and was stationed in Groton, Connecticut. She earned \$38,000 in military pay.

If Jill had no other income . . .

Since Jill resided and enlisted in Florida, she is considered a resident of Florida and does not have to file a Connecticut return. Military personnel are residents of the state in which they resided when they enlisted.

If Jill had a part-time job in Connecticut . . .

Her Connecticut-sourced income from nonmilitary employment is taxable. Jill must file Form CT-1040NR/PY to report the income.

Spouses of military personnel, see **Informational Publication 2018(15)**, *Connecticut Income Tax Information for Armed Forces Personnel and Veterans*.

Combat Zone

The income tax return of any individual in the U.S. Armed Forces serving in a combat zone or injured and hospitalized while serving in a combat zone is due 180 days after returning. There will be no penalty or interest charged. For any individual who dies while on active duty in a combat zone or as a result of injuries received in a combat zone, no income tax or return is due for the year of death or for any prior taxable year ending on or after the first day serving in a combat zone. If any tax was previously paid for those years, the tax will be refunded to the legal representative of the estate or to the surviving spouse upon the filing of a return on behalf of the decedent. In filing the return on behalf of the decedent, the legal representative or the surviving spouse should enter zero tax due and attach a statement to the return along with a copy of the death certificate.

Combat zone is an area designated by an Executive Order from the President of the United States as areas in which the U.S. Armed Forces are engaging or have engaged in combat. A combat zone also includes an area designated by the federal government as a *qualified hazardous duty area*.

Spouses of military personnel and civilians supporting the military in a combat zone region who are away from their permanent duty stations, but are not within the designated combat zone, are also eligible for the 180 day extension.

Individuals requesting an extension under combat zone provisions should print both the name of the combat zone and the operation they served with at the top of their Connecticut tax return. This is the same combat zone or operation name provided on their federal income tax return. See **Informational Publication 2018(15)**, *Connecticut Income Tax Information for Armed Forces Personnel and Veterans*.

Connecticut Adjusted Gross Income

Connecticut adjusted gross income is your federal adjusted gross income as properly reported on federal Form 1040, Line 7, and any Connecticut modifications required to be reported on Form CT-1040, *Schedule 1*.

Taxable Year and Method of Accounting

You must use the same taxable year for Connecticut income tax purposes as you use for federal income tax purposes. Most individuals use the calendar year as their taxable year for federal income tax purposes. However, if the calendar year is not your taxable year for federal income tax purposes, references in this booklet to 2018 are references to your taxable year beginning during 2018.

You must use the same method of accounting for Connecticut income tax purposes as you use for federal income tax purposes.

If your taxable year or method of accounting is changed for federal income tax purposes, the same change must be made for Connecticut income tax purposes.

When to File

Your Connecticut income tax return is due on or before April 15, 2019. If you are not a calendar year filer, your return is due on or before the fifteenth day of the fourth month following the close of your taxable year. If the due date falls on a Saturday, Sunday, or legal holiday, the return will be considered timely filed if filed by the next business day.

Your return meets the timely filed and timely payment rules 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 services provided by these designated PDSs qualify. This list is subject to change. See **Policy Statement 2016(4)**, *Designated Private Delivery Services and Designated Types of Service*, for a current list of qualified PDSs.

If Form CT-1040 is filed late or all the tax due is not paid with the return, see *Interest and Penalties* on Page 15 to determine if interest and penalty must be reported with the return.

Extension Requests

Extension of Time to File

To request an extension of time to file your return, you must file **Form CT-1040 EXT**, *Application for Extension of Time to File Connecticut Income Tax Return for Individuals*, and pay all the tax you expect to owe on or before the due date.

Visit portal.ct.gov/TSC to file your extension electronically. Form CT-1040 EXT extends only the time to file your return; it does not extend the time to pay your tax due. See *Interest and Penalties* on Page 15 if you do not pay all the tax due with your extension request.

You do not need to file Form CT-1040 EXT if you:

- Have requested an extension of time to file your 2018 federal income tax return and you expect to owe no additional Connecticut income tax for the 2018 taxable year after taking into account any Connecticut income tax withheld from your wages, any Connecticut income tax payments you have made, and any Pass-Through Entity Tax Credit (PE Tax Credit); **or**
- Pay your expected 2018 Connecticut income tax due using a credit card on or before the due date.

You must file Form CT-1040 EXT if you:

- Did not request an extension of time to file your federal income tax return, but you are requesting an extension of time to file your Connecticut income tax return; **or**
- Have requested an extension of time to file your federal income tax return but you expect to owe additional Connecticut income tax for 2018 and wish to submit a payment with Form CT-1040 EXT.

If you file an extension request with a payment after the due date, generally April 15, DRS will deny your extension request.

U.S. Citizens Living Abroad

If you are a U.S. citizen or resident living outside the United States and Puerto Rico, or if you are in the armed forces of the United States serving outside the United States and Puerto Rico and are unable to file a Connecticut income tax return on time, you must file Form CT-1040 EXT. You must also pay the amount of tax due on or before the original due date of the return.

Include with Form CT-1040 EXT a statement that you are a U.S. citizen or resident living outside the United States and Puerto Rico, or in the armed forces of the United States serving outside the United States and Puerto Rico, and that you qualify for a federal automatic extension. If your application is approved, the due date is extended for six months.

If you received a federal extension of time to file beyond six months, to qualify for the federal foreign earned income exclusion and for the foreign housing exclusion or deduction, you may file your Connecticut return using the federal extension due date. Submit a copy of the approved federal Form 2350, Application for Extension of Time to File U.S. Income Tax Return, by attaching it to the front of your Form CT-1040.

Extension of Time to Pay

You may be eligible for a six-month extension of time to pay the tax due if you can show that paying the tax by the due date will cause undue hardship. You may request an extension by filing **Form CT-1127, Application for Extension of Time for Payment of Income Tax**, on or before the due date of the original return.

Attach Form CT-1127 to the front of Form CT-1040 or Form CT-1040 EXT and send it on or before the due date. As evidence of the need for extension, you **must** attach:

- An explanation of why you cannot borrow money to pay the tax due;
- A statement of your assets and liabilities; **and**
- An itemized list of your receipts and disbursements for the preceding three months.

If an extension of time to pay is granted and you pay all the tax due in full by the end of the extension period, a penalty will not be imposed. However, interest will accrue on any unpaid tax from the original due date. You should make payments as soon as possible to reduce the interest you would otherwise owe.

Mailing Addresses for Form CT-1040

For tax forms **with payment** enclosed:

Department of Revenue Services
PO Box 2977
Hartford CT 06104-2977

For tax forms requesting **refunds or tax forms without payment** enclosed:

Department of Revenue Services
PO Box 2976
Hartford CT 06104-2976

For **payments without tax forms**:

Department of Revenue Services
Processing
PO Box 5088
Hartford CT 06102-5088

To ensure proper posting of your payment, write “**2018 Form CT-1040**” and your SSN(s) (optional) on the front of your check.

Estimated Tax Payments for Tax Year 2019

You must make estimated income tax payments if your Connecticut income tax (after tax credits) minus Connecticut tax withheld and any PE Tax Credit is \$1,000 or more and you expect your Connecticut income tax withheld and any PE Tax Credit to be less than your required annual payment for the 2019 taxable year.

Your required annual payment for the 2019 taxable year is the lesser of:

- **90%** of the income tax shown on your 2019 Connecticut income tax return; **or**
- **100%** of the income tax shown on your 2018 Connecticut income tax return, if you filed a 2018 Connecticut income tax return that covered a 12-month period.

You do **not** have to make estimated income tax payments if:

- You were a Connecticut resident during the 2018 taxable year, and you did not file a 2018 income tax return because you had no Connecticut income tax liability; **or**

- You were a nonresident or part-year resident with Connecticut-sourced income during the 2018 taxable year and you did not file a 2018 income tax return because you had no Connecticut income tax liability.

If you were a nonresident or part-year resident and you did **not** have Connecticut-sourced income during the 2018 taxable year, your required annual payment is 90% of the income tax shown on your 2019 Connecticut income tax return.

Annualized Income Installment Method

If your income varies throughout the year, you may be able to reduce or eliminate the amount of your estimated tax payment for one or more periods by using the annualized income installment method. See **Informational Publication 2018(11)**, *A Guide to Calculating Your Annualized Estimated Income Tax Installments and Worksheet CT-1040 AES*.

Filing Form CT-1040ES

You may file and pay your 2019 Connecticut estimated tax using the **TSC**. You may also make your payments by credit card. Visit the DRS website at portal.ct.gov/TSC for more information.

Use **Form CT-1040ES**, *Estimated Connecticut Income Tax Payment Coupon for Individuals*, to make estimated Connecticut income tax payments for 2019 using a paper return. If you made estimated tax payments in 2018 by mail, you will automatically receive coupons for the 2019 taxable year in mid-January. They will be preprinted with your name, address, and the last four digits of the SSN. To ensure your payments are properly credited, use the preprinted coupons.

If you did not make estimated tax payments in 2018, use Form CT-1040ES to make your first estimated income tax payment. Form CT-1040ES is available on the DRS website. If you file this form, additional preprinted coupons will be mailed to you.

To avoid making estimated tax payments, you may request your employer or payer to withhold additional amounts from your wages, pension or annuity to cover the taxes on other income. You can make this change by giving your employer or payer a revised **Form CT-W4**, *Employee's Withholding Certificate* or **Form CT-W4P**, *Withholding Certificate for Pension or Annuity Payments*. For help in determining the

correct amount of Connecticut withholding to be withheld from your income, see **Informational Publication 2019(7)**, *Is My Connecticut Withholding Correct?*

Special Rules for Farmers and Fishermen

If you are a farmer or fisherman (as defined in IRC § 6654(i)(2)) who is required to make estimated income tax payments, you must make only **one** payment. Your payment is due on or before January 15, 2020, for the 2019 taxable year. The required installment is the lesser of 66²/₃% of the income tax shown on your 2019 Connecticut income tax return or 100% of the income tax shown on your 2018 Connecticut income tax return.

If you file a 2019 Connecticut income tax return on or before March 1, 2020, and pay in full the amount computed on the return as payable on or before that date, you will not be charged interest for underpayment of estimated tax.

Farmers or fishermen who use these special rules **must** complete and attach **Form CT-2210**, *Underpayment of Estimated Tax by Individuals, Trusts, and Estates*, to their Connecticut income tax return to avoid being billed for interest on the underpayment of estimated income tax. Check Box D of Form CT-2210, Part I, and the box for Form CT-2210 on the front of Form CT-1040. See **Informational Publication 2010(16)**, *Farmer's Guide to Sales and Use Taxes, Motor Vehicle Fuels Tax, Estimated Income Tax, and Withholding Tax*, or **Informational Publication 2009(14)**, *Fisherman's Guide to Sales and Use Taxes and Estimated Income Tax*.

Filing Form CT-2210

You may be charged interest if you did not pay enough tax through withholding or estimated payments, or both, by any installment due date, or if any PE Tax Credit reported to you on Schedule CT K-1, Part III, Line 1, or Schedule CT-1041 K-1, Part IV, Line 1, is not sufficient to cover your tax liability by the installment due date. Use Form CT-2210 to calculate interest on the underpayment of estimated tax. Form CT-2210 and detailed instructions are available from DRS. However, this is a complex form and you may prefer to have DRS calculate the interest. If so, do not file Form CT-2210 and DRS will send you a bill.

2019 Estimated Tax Due Dates

Due dates of installments and the amount of required payments for 2019 calendar year taxpayers are:

April 15, 2019	25% of your required annual payment
June 15, 2019	25% of your required annual payment (A total of 50% of your required annual payment should be paid by this date.)
September 15, 2019	25% of your required annual payment (A total of 75% of your required annual payment should be paid by this date.)
January 15, 2020	25% of your required annual payment (A total of 100% of your required annual payment should be paid by this date.)

An estimate is considered timely filed if received on or before the due date, or if the date shown by the U.S. Postal Service cancellation mark is on or before the due date. Taxpayers who report on other than a calendar year basis should use their federal estimated tax installment due dates. If the due date falls on a Saturday, Sunday, or legal holiday, the return will be considered timely if filed by the next business day.

Interest and Penalties

In general, interest and penalty apply to any portion of the tax not paid on or before the original due date of the return.

Interest

If you do not pay the tax when due, you will owe interest at 1% per month or fraction of a month until the tax is paid in full.

You may be charged interest if you did not pay enough tax through withholding or estimated payments, or both, by any installment due date, or if any PE Tax Credit reported to you on Schedule CT K-1, Part III, Line 1, or Schedule CT-1041 K-1, Part IV, Line 1, is not sufficient to cover your tax liability by the installment due date. This is true even if you are due a refund when you file your tax return. See *Interest on Underpayment of Estimated Tax* on this page.

Interest on underpayment or late payment of tax cannot be waived.

Penalty for Late Payment or Late Filing

The penalty for late payment or underpayment of income or use tax is 10% of the tax due. If a request for an extension of time to file has been granted, you can avoid a penalty for failure to pay the full amount due by the original due date if you:

- Pay at least 90% of the income tax shown to be due on the return on or before the original due date of the return; **and**
- Pay the balance due with the return on or before the extended due date. If you file your return electronically and pay your balance due by check, then your check must be postmarked on whichever is earlier: the date of acceptance of the electronic return or the extended due date.

If no tax is due, DRS may impose a \$50 penalty for the late filing of any return or report required by law to be filed.

Penalty for Failure to File

If you do not file your return and DRS files a return for you, the penalty for failure to file is 10% of the balance due or \$50, whichever is greater. If you are required to file **Form CT-1040X, Amended Connecticut Income Tax Return for Individuals**, and fail to do so, a penalty may be imposed.

Waiver of Penalty

To make a waiver of penalty request, taxpayers must complete and submit **Form DRS-PW, Request for Waiver of Civil Penalty**, to the DRS Operations Bureau/Penalty Waiver. Taxpayers may mail Form DRS-PW to the address listed below or fax it to the Operations Bureau/Penalty Waiver at **860-297-5727**.

Department of Revenue Services
Operations Bureau/Penalty Waiver
PO Box 5089
Hartford CT 06102-5089

DRS will not consider a penalty waiver request unless it is accompanied by a fully completed and properly executed Form DRS-PW. The Commissioner cannot consider a request

received more than one year from the date a notice of such penalty was first sent to the taxpayer requesting the waiver. For the taxpayer who self reports the penalty on his or her tax return, the filing date of such return is considered the date on which the taxpayer was notified of such penalty. See **Policy Statement 2018(3), Requests for Waiver of Civil Penalties**.

Interest on Underpayment of Estimated Tax

You may be charged interest if you did not pay enough tax through withholding or estimated payments, or both, by any installment due date, or if any PE Tax Credit reported to you on Schedule CT K-1, Part III, Line 1, or Schedule CT-1041 K-1, Part IV, Line 1, is not sufficient to cover your tax liability by the installment due date. This is true even if you are due a refund when you file your tax return. Interest is calculated separately for each installment. Therefore, you may owe interest for an earlier installment even if you paid enough tax later to make up the underpayment. Interest at 1% per month or fraction of a month will be added to the tax due until the **earlier of** April 15, 2019, or the date on which the underpayment is paid.

If you file a 2018 Connecticut income tax return on or before January 31, 2019, and pay in full the amount computed on the return as payable on or before that date, you will not be charged interest for failing to make the estimated payment due January 15, 2019.

A farmer or fisherman who is required to make estimated income tax payments will not be charged interest for failing to make the estimated payment due January 15, 2019, if he or she files a 2018 Connecticut income tax return on or before March 1, 2019, and pays in full the amount computed on the return as payable on or before that date.

Refund Information

There are two ways to get your refund: **Direct Deposit** or **Paper Check**.

The fastest way to get your refund is to file your return electronically and elect direct deposit. Paper return filers may request direct deposit. The direct deposit option is **not** available to first-time Connecticut income tax filers.

For faster service, DRS recommends that taxpayers use direct deposit to a savings or checking account.

For returns filed on paper, you must allow 10 to 12 weeks from the date you mailed the return before checking on the status of your refund.

Your refund could be delayed if additional information or identity verification is required to prevent refund theft.

Anyone who receives a refund but has not filed a Connecticut income tax return must contact DRS immediately. Call the DRS Fraud Unit at **855-842-1441**.

Option 1: Direct Deposit

To elect direct deposit, complete Lines 25a through 25c. See *Line 25: Refund*, on Page 21.

Make your direct deposit successful by:

- Confirming your account number and routing number with your financial institution and entering them clearly on your tax return;
- Entering the direct deposit information separately for both your federal and state electronically filed returns; **and**
- Printing your software-prepared paper return only after you have entered the direct deposit information into the program.

Some financial institutions do not allow a joint refund to be deposited into an individual account.

DRS reserves the right to send a paper check on any requested refund.

Option 2: Paper Check

If you do not elect direct deposit or are a first-time filer, a refund check will be issued and refund processing may be delayed.

Refund Status

Check the status of your refund using the *TSC* by visiting www.ct.gov/myrefund or call **800-382-9463** (Connecticut calls outside the Greater Hartford calling area only) or **860-297-5962** (from anywhere). You must provide your SSN (and your spouse's if filing jointly) and the exact amount of the refund requested.

If DRS does not issue your refund on or before the ninetieth day after we receive your claim for refund, you may be entitled to interest on your overpayment. Interest is computed at the rate of two thirds of one percent ($\frac{2}{3}\%$) for each month or fraction of a month between the ninetieth day following receipt of your properly completed claim for refund or the due date of your return, whichever is later, and the date of notice that your refund is due.

Protecting Taxpayer Security

Tax fraud and refund theft are very serious challenges.

DRS is committed to protecting taxpayer identity information and making sure thieves do not steal refunds. DRS continues to increase our anti-fraud efforts in coordination with the IRS, other state tax agencies, and tax preparers.

We still encourage taxpayers to file and pay electronically and opt for direct deposit of refunds. However, in situations where fraud is more likely, even direct deposit requests may be converted to a paper check.

In other circumstances of suspicious filing, refunds may be delayed while we work with the actual taxpayer to confirm that it is not a fraudulent claim. We ask for your understanding and patience; we are only doing this to protect you.

Anyone who receives a refund but has not filed their Connecticut return must contact the DRS immediately. Call the DRS Fraud Unit at **855-842-1441**.

Nonobligated Spouse

When a joint return is filed and only one spouse owes past-due child support, a debt to any Connecticut state agency, or tax due to another state or the IRS, the spouse who is not obligated may be eligible to claim a share of the joint income tax refund. A nonobligated spouse who received income in 2018 and who made Connecticut income tax payments (withholding or estimates) or had a PE Tax Credit for the 2018 taxable year may be eligible to claim his or her share of any refund if:

- A joint Connecticut tax return was filed for 2018; **and**
- There was an overpayment of tax.

If you are a nonobligated spouse, you may claim your share of a joint refund by filing **Form CT-8379**, *Nonobligated Spouse Claim*.

If you are filing a paper Form CT-1040, check the box on the front of your return to indicate that you are filing Form CT-8379. Attach Form CT-8379 and all Forms W-2 and 1099, and Schedules CT K-1 and CT-1041 K-1, to the front of your return.

If you are filing Form CT-1040 electronically, select the Form CT-8379 indicator on your return. Mail the completed Form CT-8379 and all Forms W-2 and 1099, and Schedules CT K-1 and CT-1041 K-1, to the Department of Revenue Services, P.O. Box 5035, Hartford, CT 06102-5035.

Do **not** use Form CT-8379 to claim your share of a Connecticut income tax refund that was applied to your spouse's federal income tax liability. For information about IRS offsets, contact the IRS at the telephone number listed on the Notice of Refund Offset issued to you.

Payment Options

Electronically filing and paying your taxes is easy and accurate. It provides you with confirmation of receipt and reduces the possibility of errors. While some taxpayers may be reluctant to make electronic payments for security reasons, we want to assure you that our electronic funds transfer is safe and secure.

Pay Electronically

To make a direct payment visit the *TSC* at portal.ct.gov/TSC and follow the prompts or visit <https://drsindtax.ct.gov>. You can authorize DRS to transfer funds from your bank account (checking or savings) to a DRS account by entering your bank account number and your bank routing number.

You can file your return any time before the due date and designate the amount of payment and date of transfer. Your bank account will be debited on the date you indicate. You **must** pay the balance due on or before the due date to avoid penalty and interest.

Should you elect to file electronically but make your payment of tax due with a paper check, you are required to remit your payment with **Form CT-1040V**, *2018 Connecticut Electronic Filing Payment Voucher*. **Do not** send a paper copy of your electronically filed return with the payment.

Pay by Credit Card or Debit Card



You may elect to pay your 2018 Connecticut income tax liability using a credit card (American Express[®], Discover[®], MasterCard[®], VISA[®]) or comparable debit card. A convenience fee will be charged by the service provider. You will be informed of the amount of the fee and you may elect to cancel the transaction. At the end of the transaction, you will be given a confirmation number for your records.

Visit www.officialpayments.com and select *State Payments*. Your payment is effective on the date you make the charge.

Pay by Mail

Make your check payable to **Commissioner of Revenue Services**. To ensure proper posting of your payment, write “**2018 Form CT-1040**” and your SSN(s) (optional) on the front of your check. Sign your check and clip it to the front of your return. **Do not send cash**. DRS may submit your check to your bank electronically.

Failure to file or failure to pay the proper amount of tax when due **will result in penalty and interest charges**. It is to your advantage to file when your return is due whether or not you are able to make full payment.

Attach other required forms and schedules, including Supplemental Schedule CT-1040WH and Schedule CT-PE, to the back of your return or as directed on the form. You do **not** need to attach a copy of your previously-filed Form CT-1040 EXT.

Rounding Off to Whole Dollars

You must round off cents to the nearest whole dollar on your return and schedules. If you do not round, DRS will disregard the cents. Round down to the next lowest dollar all amounts that include 1 through 49 cents. Round up to the next highest dollar all amounts that include 50 through 99 cents. However, if you need to add two or more amounts to compute the amount to enter on a line, include cents and round off **only** the total.

Example: Add two amounts (\$1.29 + \$3.21) to compute the total (\$4.50) to enter on a line. \$4.50 is rounded to \$5.00 and entered on the line.

DRS does not round when issuing refunds.

Angel Investor Income Tax Credit

The angel investor tax credit is applicable against the income tax and available to investors who meet the requirements of Conn. Gen. Stat. § 12-704d, as amended by Conn. Pub. Acts 17-110 § 1. An angel investor must apply to Connecticut Innovations, Inc. (CII) to reserve the credit and must receive an *Angel Investor Tax Credit Voucher* from CII before claiming the credit on the income tax return.

The credit is for a cash investment of not less than \$25,000 in the qualified securities of a Connecticut business by an angel investor. The credit is equal to 25% of such investor’s cash investment provided the total tax credits allowed to any one investor shall not exceed \$250,000 and shall be claimed in the taxable year in which the cash investment was made. The credit cannot be used against the withholding tax liability imposed under Conn. Gen. Stat. § 12-707 and cannot exceed the amount of income tax imposed under Chapter 229 of the Connecticut General Statutes for the taxable year.

Tax credits cannot be reserved for any investments made on or after July 1, 2019. Any tax credit claimed but not applied against the income tax liability may be carried forward for the five immediately succeeding taxable years until the full credit has been applied.

Effective for taxable years commencing on or after January 1, 2016, the angel investor tax credit may be assigned, transferred, or sold. You must use **Schedule CT-IT Credit** to calculate the amount of the Angel Investor Tax Credit you can claim on your return. If you are claiming the Angel Investor Tax Credit, you must complete Part III of the Schedule CT-IT Credit. Attach Schedule CT-IT Credit to the back of your paper return.

The tax credit may be claimed by the shareholders or partners of an S corporation or an entity treated as a partnership for federal income tax purposes. If the entity is a single member limited liability company that is disregarded as an entity separate from its owner, the tax credit may be claimed by the limited liability company owner provided the owner is a person subject to Connecticut income tax.

Completing Form CT-1040

Before you begin, gather all your records, including all your federal Forms W-2 and 1099. Use this information to complete your federal income tax return. The information on your federal return is needed to complete your Connecticut return. Complete the return in blue or black ink only.

1 Taxpayer Information

Filing Status - Check only one box.

Check the appropriate box to indicate your filing status.

Generally, your filing status must match your federal income tax filing status for this year. If you are not certain of your filing status for 2018, consult the information in your federal income tax booklet or call the IRS at 800-829-1040.

Although you and your spouse file jointly for federal purposes, you may be required to file separate Connecticut returns. See *Special Rules for Married Individuals*, on this page.

If your filing status is qualifying widow(er) with dependent child on federal Form 1040, do not enter your deceased spouse's name or SSN in the spaces provided for spouse's name and spouse's SSN on Form CT-1040.

Special Rules for Married Individuals

When one spouse is a Connecticut resident or a nonresident and the other spouse is a part-year resident, each spouse who is required to file a Connecticut income tax return must file as married filing separately.

When one spouse is a Connecticut resident and the other is a nonresident, each spouse who is required to file a Connecticut income tax return must file as married filing separately unless they:

- File jointly for federal income tax purposes; **and**
- Elect to be treated as if both were Connecticut residents for the entire taxable year.

When both spouses are **part-year residents** of Connecticut but do not have the same period of residency, married filing separately is their Connecticut income tax filing status.

When both spouses are **part-year residents** of Connecticut and have the same period of residency, they may choose married filing jointly or married filing separately as their Connecticut income tax filing status.

When both spouses are **nonresidents** of Connecticut and only one has income derived from or connected with sources within Connecticut, only that spouse is required to file a Connecticut income tax return and that spouse's Connecticut income tax filing status is married filing separately for Connecticut unless they both elect to file a joint Connecticut income tax return. If an election is made, married filing jointly is their Connecticut income tax filing status.

When one spouse is a nonresident alien and the other is a citizen or resident of the United States, each spouse who is required to file a Connecticut income tax return must file as married filing separately unless:

- An election is made by the nonresident alien and his or her spouse to file a joint federal income tax return;
- A married filing joint return is filed for federal income tax purposes; **and**
- The spouses are otherwise required or permitted to file a joint Connecticut income tax return.

The election to file a joint return means the joint federal adjusted gross income must be used on Form CT-1040, Line 1. It also means the spouse who would not otherwise be required to file is now jointly and severally liable for any tax liability associated with the filing of the income tax return.

If you are filing a joint federal return with your spouse but are required to file a separate Connecticut return, each of you will have to recompute your federal adjusted gross income as if you were each filing as married filing separately for federal income tax purposes. Enter on Form CT-1040, Line 1, your income as recalculated.

Social Security Number, Name, and Address

You **must** write your Social Security Number (SSN), name, and address in the space provided. If your city or town of residence is different from your mailing address enter the additional information in the space provided. If you file a joint return, enter your SSN and your spouse's SSN in the order they appear on your federal return. If the taxpayer is deceased, see *Deceased Taxpayers* on Page 10.

If you are a nonresident alien and do not have an SSN, enter your Individual Taxpayer Identification Number (ITIN) in the space provided above your name. Nonresident aliens who have applied for an ITIN from the Internal Revenue Service by filing federal Form W-7, but have not received the ITIN, must wait for the ITIN to be issued before filing their Connecticut tax return. However, if you have not received your ITIN by April 15, file your return without the ITIN, enter *Applied For* or *NRA* in the SSN field, pay the tax due, and attach a copy of the federal Form W-7. DRS will contact you upon receipt of your return. DRS will hold your return until you receive your ITIN and you forward the information to us. DRS cannot process your return until we receive the ITIN.

2 Calculate Your Tax

Line 1: Federal Adjusted Gross Income

Enter your federal adjusted gross income from your 2018 federal income tax return. This is the amount reported on federal Form 1040, Line 7.

Nonresident aliens, see *Special Information for Nonresident Aliens* on Page 10.

Line 2: Additions

Enter the amount from **Form CT-1040, Schedule 1**, Line 38. See *Additions to Federal Adjusted Gross Income* on Page 24.

Line 3

Add Line 1 and Line 2 and enter the total.

Line 4: Subtractions

Enter the amount from Form CT-1040, *Schedule 1*, Line 50. See *Subtractions From Federal Adjusted Gross Income* on Page 25.

Line 5: Connecticut Adjusted Gross Income

Subtract Line 4 from Line 3 and enter the result. This is your Connecticut adjusted gross income.

Line 6: Income Tax

For each filing status, if the amount on Line 5 is: \$12,000 or less for married filing separately; \$15,000 or less for single; \$19,000 or less for head of household; or \$24,000 or less for married filing jointly, or qualifying widow(er) with dependent child, enter "0" on Line 6. You do not owe any income tax. Otherwise, calculate your tax using one of the following methods.

If your Connecticut adjusted gross income is less than or equal to \$102,000, you may use the *Tax Tables* beginning on Page 38 to find your tax.

If your Connecticut adjusted gross income is more than \$102,000 but less than or equal to \$500,000, you may:

1. Use the **Income Tax Table** on the DRS website at portal.ct.gov/DRS and select *Individuals*;
2. Use the *Tax Calculation Schedule* beginning on Page 48; or
3. Use the online **Tax Calculator** found on the DRS website at portal.ct.gov/DRS and select *Individuals*.

If your Connecticut adjusted gross income is more than \$500,000, visit portal.ct.gov/DRS and select *Individuals* to use the **Income Tax Calculator** or use the *Tax Calculation Schedule* beginning on Page 48. If you calculate your tax manually, using the tax calculator on the DRS website will ensure your tax calculation is correct.

After you have found the calculated tax, enter that amount on Line 6.

Line 7: Credit for Income Taxes Paid to Qualifying Jurisdictions

If all or part of the income reported on this return is subject to income tax in a qualifying jurisdiction and you have filed a return and paid income taxes to that jurisdiction, complete Form CT-1040, *Schedule 2*, and enter the amount from Line 59 here. See *Schedule 2 - Credit for Income Taxes Paid to Qualifying Jurisdictions* on Page 28.

You **must attach a copy of your return** filed with the qualifying jurisdiction(s) or the credit will be disallowed. If filing your return electronically, you must keep a copy of the return filed with the qualifying jurisdiction(s) and provide a copy if requested by DRS.

Line 8

Subtract Line 7 from Line 6 and enter the result. If Line 7 is greater than Line 6, enter "0."

Line 9: Connecticut Alternative Minimum Tax

If you were required to pay the federal alternative minimum tax for 2018, you must file **Form CT-6251**, *Connecticut Alternative Minimum Tax Return - Individuals*. Enter the amount shown on Form CT-6251, Line 23.

Line 10

Add Line 8 and Line 9 and enter the total.

Line 11: Credit for Property Taxes Paid on Your Primary Residence, Motor Vehicle, or Both

If Line 10 is zero, skip Line 11 and Line 12 and go to Line 13. Otherwise, complete and attach *Schedule 3* on Page 4 of Form CT-1040 to be allowed this credit. Enter the amount from Line 68 on Line 11. Be certain to include all of the requested information or your credit may be denied. See *Schedule 3 - Property Tax Credit* on Page 31.

You may also use the online **Property Tax Credit Calculator** found on the DRS website at portal.ct.gov/DRS and select *Individual*. If you choose to use the online calculator, you **must** complete lines 60 through 63 of *Schedule 3*, **Property Tax Credit** found on the CT-1040, Page 4 or your credit will be denied.

The credit is limited to Connecticut residents who paid qualifying property tax on their residence and/or motor vehicle AND one or more of the following statements apply:

- You or your spouse is 65 years of age or older by the end of the taxable year.
- You claim one or more dependents on your federal tax return.

The maximum property tax credit allowed is **\$200** per return regardless of filing status. See *Property Tax Credit Table* on Page 32. This credit can be used to offset only your 2018 income tax. **You may not carry this credit forward and it is not refundable.**

Line 12

Subtract Line 11 from Line 10 and enter the result. If less than zero, enter "0."

Line 13: Allowable Credits

Enter the amount from **Schedule CT-IT Credit**, *Income Tax Credit Summary*, Part I, Line 11.

Use Schedule CT-IT Credit to claim the Angel Investor Tax Credit (see *Angel Investor Tax Credit*, on Page 17) or to claim the credit for a prior year alternative minimum tax from **Form CT-8801**, *Credit for Prior Year Connecticut Minimum Tax for Individuals, Trusts and Estates*.

Do not use Schedule CT-IT Credit to report any PE Tax Credit.

If you have any PE Tax Credit, use Schedule CT-PE, Pass-Through Entity Tax Credit.

Line 14: Connecticut Income Tax

Subtract Line 13 from Line 12 and enter the result. If less than zero, enter "0."

Line 15: Individual Use Tax

Complete the *Connecticut Individual Use Tax Worksheet* on Page 33, then complete and attach *Schedule 4* on Page 4 of Form CT-1040. Enter on Line 15 the total use tax due as reported on *Schedule 4*, Line 69. You **must** enter "0" if no Connecticut use tax is due; otherwise you have not filed a use tax return. **Failure to report use tax due on Line 15 and include that amount in Line 16 may subject you to a penalty of up to \$5,000, imprisonment for up to 5 years, or both.** See Pages 5, 6, and 34 for more information on the use tax.

Line 16 and Line 17

Add Line 14 and Line 15. Enter the total on Line 16 and Line 17.

3 Payments

Line 18: Connecticut Tax Withheld

For each federal Form W-2 or 1099 where Connecticut income tax was withheld, enter the following on Lines 18a through 18e.

Enter the number from Box b in Column A of Form CT-1040.

22222		a. Employer's social security number		OMB No. 1545-0008	
b. Employer identification number (EIN) XX-XXXXXXX		1. Wages, tips, other compensation	2. Federal income tax withheld		
c. Employer's name, address, and ZIP code		3. Social security wages	4. Social security tax withheld		
		5. Medicare wages and tips	6. Medicare tax withheld		
		7. Social security tips	8. Allocated tips		
D Control number		9	10. Dependent care benefits		
e. Employee's first name and initial		11. Nonqualified plans			
Last name		12a			
Suff.		12b			
Enter the amount from Box 16 in Column B of Form CT-1040.		12c			
		12d			
f. Employee's address and ZIP code		13. Statutory employee <input type="checkbox"/> Retiree <input type="checkbox"/> Part-time <input type="checkbox"/> Full-time <input type="checkbox"/>			
		14. Other			
15. State	Employer's state ID number	16. State wages, tips, etc.	17. State income tax	18. Local wages, tips, etc.	19. Local income tax
CT		XXX.00	XXX.00		
Form W-2 Wage and Tax Statement		2018		Department of the Treasury - Internal Revenue Service	
Copy 1 for State, City, or Local Tax Department		Enter the amount from Box 17 (in whole dollars) in Column C of Form CT-1040.			

Box 15 must show CT to be claimed as Connecticut withholding.

Column A: Enter the Employer Identification Number or Payer Identification Number.

Column B: Enter the amount of Connecticut wages, tips, etc.

Column C: Enter the amount of Connecticut income tax withheld.

You **must** complete all columns or your Connecticut withholding will be disallowed. Do **not** include tax withheld for other states or federal income tax withholding.

If you have **more than five** federal Forms W-2 or 1099 showing Connecticut income tax withheld, you must complete and attach **Supplemental Schedule CT-1040WH**, *Connecticut Income Tax Withholding*. Enter on Supplemental Schedule CT-1040WH only Connecticut income tax withholding amounts not previously reported on Form CT-1040. Enter the total from Supplemental Schedule CT-1040WH, Line 3, on Line 18f, Column C.

Add all entries in Column C (including the additional amount from Supplemental Schedule CT-1040WH) and enter the total Connecticut income tax withheld on Line 18.

Do not send copies of Forms W-2 or 1099. Keep these for your records. DRS may request them at a later date.

When filing **Form CT-8379**, *Nonobligated Spouse Claim*, attach all Forms W-2 and 1099, and Schedules CT K-1 and CT-1041 K-1.

Line 19: All 2018 Estimated Tax Payments

Enter the total of all Connecticut estimated tax payments, advance tax payments, and any overpayments of Connecticut income tax applied from a prior year. Include any 2018 estimated payments made in 2018. **Do not** include any refunds received.

Do not include estimated payments that you recharacterized to a pass-through entity of which you are a member or partner.

Line 20: Payments Made With Form CT-1040 EXT

If you filed **Form CT-1040 EXT**, *Application for Extension of Time to File*, enter the amount you paid with that form.

Line 20a: Connecticut Earned Income Tax Credit

A Connecticut resident taxpayer may claim an earned income tax credit (CT EITC) against the Connecticut income tax due for the taxable year. The amount of the CT EITC is 23% of the earned income credit claimed and allowed on the federal income tax return for the same taxable year. If the CT EITC exceeds the taxpayer's Connecticut income tax liability, the excess is considered an overpayment and will be refunded without interest.

Complete **Schedule CT-EITC**, *Connecticut Earned Income Tax Credit*, to calculate your earned income tax credit. Enter the amount from Schedule CT-EITC, Line 16.

You **must attach a copy of your schedule** or the credit will be disallowed.

Line 20b: Claim of Right Credit

If you have claim of right income for federal tax purposes and are claiming the federal claim of right credit on your 2018 federal return, you may also be entitled to a claim of right credit for Connecticut income tax purposes.

If during your 2018 taxable year you had to repay income you included in your Connecticut adjusted gross income for an earlier taxable year, and the amount you repaid is more than \$3,000, you may be able to claim a credit against your Connecticut income tax for your 2018 taxable year. If you are eligible for the Connecticut claim of right credit, complete **Form CT-1040CRC**, *Claim of Right Credit*, to claim a credit equal to the Connecticut income tax you would not have had to pay if the repaid amount had not been included in your Connecticut adjusted gross income in the earlier taxable year.

You are eligible for the Connecticut claim of right credit if you meet all of the following conditions:

- You were a resident, nonresident, or part-year resident individual who included income in Connecticut adjusted gross income for an earlier taxable year(s) (year(s) of receipt). A trust or estate is not eligible to claim relief for Connecticut income tax purposes;

- You were required to repay the income during your 2018 taxable year (year of repayment);
- The amount of the repayment exceeds \$3,000; **and**
- You determined your federal income tax liability for the year of repayment under IRC § 1341(a)(4) (see Exceptions) or IRC.

If the claim of right credit exceeds your Connecticut income tax liability, the excess is considered an overpayment and will be refunded.

Complete **Form CT-1040CRC**, *Claim of Right Credit*, to calculate your claim of right credit. Enter the amount from Form CT-1040CRC, Line 6.

Line 20c: Pass-Through Entity Tax Credit

If you are a partner or a member of a PE required to pay the Connecticut PE Tax, or if you are a beneficiary of a trust or estate that is a member of such PE, and you receive a Schedule CT K-1 or a Schedule CT-1041 K-1 reporting an amount of PE Tax Credit, then you must complete **Schedule CT-PE**, *Pass-Through Entity Tax Credit*. Enter the amount from Schedule CT-PE, Line 1.

You must attach a copy of Schedule CT-PE or the credit will be disallowed. Do not send copies of Schedules CT K-1 and CT-1041 K-1, but keep them for your records. DRS may request them at a later date.

Line 21: Total Payments and Refundable Credits

Add Lines 18, 19, 20, 20a, 20b, and 20c and enter the total. This is the total of your Connecticut tax payments and refundable credits.

4 Overpayment

Line 22: Overpayment

If Line 21 is greater than Line 17, subtract Line 17 from Line 21 and enter the result. This is your overpayment.

To properly allocate your overpayment, go to Lines 23 through 25.

If Line 21 is less than Line 17, go to Line 26.

If you were required to make estimated income tax payments, but you did not pay enough tax through withholding, estimated payments, or both, by any installment due date, or if any PE Tax Credit reported to you on Schedule CT K-1, Part III, Line 1, or Schedule CT-1041 K-1, Part IV, Line 1, is not sufficient to cover your tax liability, your overpayment may be reduced by the interest due on the underpayment of estimated tax. See **Form CT-2210**, *Underpayment of Estimated Income Tax by Individuals, Trusts, and Estates*.

Line 23: Amount of Line 22 You Want Applied to Your 2019 Estimated Tax

Enter the amount of your 2018 overpayment you want applied to your 2019 estimated Connecticut income tax. It will be treated as estimated tax paid on April 15, 2019, if your return is filed on time or if you filed a timely request for extension and your return is filed within the extension period. Payments received after April 15, 2019, will be applied as of the date

of receipt. **Your request to apply this amount to your 2019 estimated income tax is irrevocable.**

Line 24: CHET Contribution from Schedule CT-CHET

Complete and attach **Schedule CT-CHET**, *Connecticut Higher Education Trust (CHET) 529 College Savings Plan Contribution* to contribute all or part of your Connecticut individual income tax overpayment (Line 22) to a CHET 529 College Savings Plan Account(s). Enter the total contributions as reported on Schedule CT-CHET, Line 4. **Your contribution is irrevocable.**

Line 24a: Total Contributions to Designated Charities

You may make a contribution on this return only if you are entitled to a refund of an overpayment. Your contribution is limited to your refund amount. Complete and attach *Schedule 5* on Page 4 of Form CT-1040. Enter the total contributions as reported on *Schedule 5*, Line 70. **Your contribution is irrevocable.**

You may also make direct contributions by following the instructions on Page 7.

Line 25: Refund

Subtract the total of Lines 23, 24, and 24a from Line 22. The result is the amount of your refund.

There are two refund options available:

Option 1: Direct Deposit

Complete Lines 25a, 25b, and 25c to have your refund directly deposited into your checking or savings account. See *Refund Information*, on Page 15.

This option is **not** available to first-time filers.

Enter your nine-digit bank routing number and your bank account number in Lines 25b and 25c. Your bank routing number is generally the first nine-digit number printed on your check or savings withdrawal slip. Your bank account number generally follows the bank routing number. Do not include the check number as part of your account number. Bank account numbers can be up to 17 characters.

Name of Depositor		Date		No. 101
Street Address				
City, State, Zip Code				
Pay to the Order of				\$
Name of your Bank				
Street Address				
City, State, Zip Code				
092125789		091 025 025413		0101

↑
Routing Number

↑
Account Number

Federal banking rules require DRS to request information about foreign bank accounts (Line 25d) when the taxpayer requests the direct deposit of a refund into a bank account. If the refund is to be deposited in a bank outside the United States, DRS will mail your refund to you.

Option 2: Paper Check

If you do not elect or qualify for direct deposit, a refund check will be issued and refund processing may be delayed.

If you wish to receive a paper check, you must complete Line 25.

Your overpayment will be applied in the following order: penalty; tax; interest on such tax; other taxes you owe DRS; debts to other Connecticut state agencies; federal taxes you owe the IRS; taxes you owe to other states; amounts designated by you to be applied to your 2019 estimated tax; CHET contributions; and charitable contributions designated by you. Any remaining balance will be refunded to you.

5 Amount You Owe

Line 26: Tax Due

If Line 17 is greater than Line 21, subtract Line 21 from Line 17 and enter the result. This is the amount of tax you owe.

Line 27: Penalty for Late Payment or Late Filing

Late Payment Penalty: The penalty for late payment or underpayment of income or use tax is 10% of the amount due. See *Penalty for Late Payment or Late Filing* on Page 15.

Late Filing Penalty: In the event that no tax is due, DRS may impose a \$50 penalty for the late filing of any return or report required by law to be filed.

Line 28: Interest for Late Payment or Late Filing

If you fail to pay the tax when due, interest will be charged at 1% per month or fraction of a month from the due date until payment is made.

Line 29: Interest on Underpayment of Estimated Tax

If Line 14 minus Line 18 and Line 20c is \$1,000 or more, you may owe interest on estimated tax you either underpaid or paid late. **Form CT-2210**, *Underpayment of Estimated Income Tax by Individuals, Trusts and Estates*, can help you determine whether you did underestimate and will help you calculate interest. However, this is a complex form and you may prefer to have DRS calculate the interest. If so, do **not** file Form CT-2210; leave this line blank and DRS will send you a bill. Interest on underpayment of estimated income tax stops accruing on the **earlier** of the day you pay your tax or April 15, 2019.

Line 30: Total Amount Due

Add Lines 26 through 29 and enter the total. This is the total amount you owe. Pay the amount in full with your return. See *Payment Options* on Page 16.

6 Sign Your Return

After you complete Form CT-1040, sign your name and write the date you signed the return. Your spouse must also sign and enter the date if this is a joint return. The signature line is on Page 2 of Form CT-1040.

If you file a joint return, you **must** review the information with your spouse. When both you and your spouse sign the return, you become jointly and severally responsible for paying the full amount of tax, interest, and penalties due. In addition, you and your spouse will be jointly entitled to any refund which will be issued to both names listed on the return.

Taxpayer's Email Address

DRS tax returns have a line for taxpayers to enter their email address. If you provide an email address, DRS may use it to notify you of tax changes and programs. However, DRS will never use email to ask for sensitive information, such as your Social Security Number. If you ever have questions about an email claiming to be from DRS, contact DRS directly. See *Tax Information*, on back cover.

Paid Preparer Signature

Anyone you pay to prepare your return must sign and date it. Paid preparers must also enter their Preparer Tax Identification Number (PTIN), and their firm's Federal Employer Identification Number (FEIN) in the spaces provided.

Alternative Signature Methods

DRS conforms to IRS Notice 2004-54, which provides for alternative preparer signature procedures for federal income tax paper returns that paid practitioners prepare on behalf of their clients. Specifically, income tax return preparers may sign original returns, amended returns, or requests for filing extensions by rubber stamp, mechanical device, or computer software program. These alternative methods of signing must include either a facsimile of the individual preparer's signature or the individual preparer's printed name.

Income tax return preparers who use alternative methods of signing must provide all of the other preparer information that is required on returns and extensions, such as the name, address, relevant employer identification number, the preparer's tax preparer tax identification number (PTIN), and phone number.

Paid preparers can follow the same procedure with respect to paper Connecticut income tax returns prepared on behalf of their clients. This procedure only applies to preparers' signatures. It does not affect other signature requirements for taxpayers, and does not apply to documents other than tax returns.

Third Party Designee

To authorize DRS to contact your friend, family member, or any other person to discuss your 2018 tax return, enter the designee's name, telephone number, and any five numbers the designee chooses as his or her personal identification number (PIN). To authorize DRS to contact the paid preparer who signed your return, enter "Preparer" in the space for the designee's name. You do not have to provide the other information requested.

If you enter a designee's name, you and your spouse, if filing a joint return, are authorizing DRS to call the designee to answer any questions that may arise during the processing of your return. You are also authorizing the designee to:

- Give DRS any information missing from your return;
- Call DRS for information about the processing of your return or the status of your refund or payment; **and**
- Respond to certain DRS notices you have shared with the designee about math errors, offsets, and return preparation. The notices will not be sent to the designee.

Once DRS processes the return, the authorization ends. The authorization cannot be revoked. However, the authorization will automatically end no later than the due date (without regard to extensions) for filing your 2019 tax return. This is April 15, 2020, for most taxpayers.

Selecting a designee does not replace a power of attorney and will not authorize the designee to receive refunds, bind you to anything (including additional tax liabilities), or represent you before DRS. To authorize another individual to represent you or act on your behalf, you must complete **LGL-001**, *Power of Attorney*.

Income Tax Fraud

Income tax fraud is categorized as a class D felony, which carries a fine of not more than \$5,000 or imprisonment for not more than five years, or both.

Order of Attachments

Paper clip your check in payment of the tax due to the front of the income tax form in the appropriate area marked "Clip check here." To ensure proper posting of your payment, write "**2018 Form CT-1040**" and your SSN(s) (optional) on the front of your check.

If you must file any of the following forms, attach the form(s) to the **front** of your income tax return in the following order:

- **Form CT-19IT**, *Title 19 Status Release*;
- **Form CT-1127**, *Application for Extension of Time for Payment of Income Tax*;
- **Form CT-8379**, *Nonobligated Spouse Claim*; **and**
- Federal Form 1310, *Statement of Person Claiming Refund Due a Deceased Taxpayer*.

Attach other required forms and schedules, including Form CT-1040CRC; Supplemental Schedule CT-1040WH; Schedule CT-PE; Schedule CT-IT Credit; Schedule CT-CHET; and Schedule CT-EITC, to the **back** of your return or as directed on the form. You do **not** need to attach a copy of your previously-filed Form CT-1040 EXT.

Filing Your Return

Keep a copy of this return and all attachments for your records. Attach to this return any required schedules and forms. Do **not** attach copies of your federal income tax return or federal schedules.

DRS does not provide return envelopes for mailing completed forms. See *Mailing Addresses for Form CT-1040*, on Page 13 for the correct address to use for returns with payments, returns with refunds, or payments only.

Recordkeeping

Make copies of your tax return; completed worksheets and schedules; and records of all items appearing on the tax return (such as Forms W-2 and 1099, and Schedules CT K-1, and copies of other states' returns if claiming a credit for taxes paid to a qualifying jurisdiction). Retain copies until the statute of limitations expires for that return. Usually, this is three years from the date the return was due or filed, whichever is later. You may need this information to prepare future returns or to file amended returns.

Copies of Returns

You may request a copy of a previously-filed Connecticut income tax return from DRS by completing **LGL-002**, *Request for Disclosure of Tax Return or Tax Return Information*. You can usually expect to receive your copy in approximately three weeks.

You may also visit portal.ct.gov/TSC to view and print copies of your Connecticut income tax returns for the current year and for the two prior years.

Form CT-1040 Schedules

The following modifications to federal adjusted gross income are provided in Conn. Gen. Stat. § 12-701(a)(20). Your federal adjusted gross income may not be further modified in determining your Connecticut adjusted gross income except as expressly provided by Conn. Gen. Stat. § 12-701(a)(20).

Schedule 1 Modifications to Federal Adjusted Gross Income

Additions to Federal Adjusted Gross Income

Enter all amounts as positive numbers.

Line 31: Interest on State and Local Government Obligations Other Than Connecticut

Enter the total amount of interest income derived from state and municipal government obligations (other than obligations of the State of Connecticut or its municipalities) which is not taxed for federal income tax purposes. Do not enter interest income derived from government obligations of Puerto Rico, Guam, American Samoa, or U.S. Virgin Islands.

Line 32: Exempt-Interest Dividends From a Mutual Fund Derived From State or Municipal Government Obligations Other Than Connecticut

Enter the total amount of exempt-interest dividends received from a mutual fund that are derived from state and municipal government obligations other than obligations of the State of Connecticut or its municipalities. If the exempt-interest dividends are derived from obligations of Connecticut and other states, enter only the percentage derived from non-Connecticut obligations. Do not enter exempt-interest dividends derived from government obligations of Puerto Rico, Guam, American Samoa, or U.S. Virgin Islands.

Example: A fund invests in obligations of many states including Connecticut. Assuming that 20% of the distribution is from Connecticut obligations, the remaining 80% would be added back on this line.

Line 33: Taxable Amount of Lump-Sum Distributions From Qualified Plans Not Included in Federal AGI

If you filed federal Form 4972, Tax on Lump-Sum Distributions, with your federal Form 1040 to compute the tax on any part of a distribution from a qualified plan, enter that part of the distribution on Line 33. Do not enter any part of the distribution reported on federal Form 1040, Line 4a, or federal Form 1040, Schedule D.

Line 34: Beneficiary's Share of Connecticut Fiduciary Adjustment

If you have any income from an estate or trust, your share of any Connecticut modifications (that is, your share of the Connecticut fiduciary adjustment) that applies to the income

will be shown on **Form CT-1041**, *Connecticut Income Tax Return for Trusts and Estates, Schedule CT-1041B*, Part 1, Column 5. Your share of these modifications should be provided to you by the fiduciary on Schedule CT-1041 K-1. If your share of these modifications is an amount greater than zero, enter the amount on Line 34. If the amount is less than zero, enter the amount on Line 46.

If you are a beneficiary of more than one trust or estate, enter the net amount of all modifications, if greater than zero, on Line 34 or, if less than zero, on Line 46.

Line 35: Loss on Sale of Connecticut State and Local Government Bonds

Enter the total losses from the sale or exchange of notes, bonds, or other obligations of the State of Connecticut or its municipalities used to determine gain (loss) for federal income tax purposes whether or not the entire loss is used in computing federal adjusted gross income.

Line 36: Section 168(k) Federal Bonus Depreciation Deduction

Enter 100% of the amount of § 168(k) bonus depreciation reported for federal income tax purposes for this taxable year, provided such amount is deducted in determining the federal AGI for the taxable year.

Line 36a: Section 179 Federal Deduction

Enter 80% of the § 179 amount deducted in determining the federal AGI for the taxable year.

Line 37: Other

Use Line 37 to report any of the following modifications:

1. Add back any treaty income reported on federal Form 1040NR-EZ or Form 1040NR if a nonresident alien. Enter the words "treaty income" in the space provided.
2. Add back any loss or deduction of an enrolled member of the Mashantucket Pequot Tribe who resides in Indian country of such tribe or any loss or deduction of an enrolled member of the Mohegan Tribe who resides in Indian country of such tribe where the loss or deduction is derived from or connected with Indian country of the tribe. Enter the words "Mashantucket Pequot Tribe enrolled member" or "Mohegan Tribe enrolled member," as the case may be.
3. Add back any Connecticut income tax deducted on the federal income tax return to arrive at federal adjusted gross income. Do not add back any Connecticut income tax deducted on federal Form 1040, Schedule A.
4. Add back any expenses paid or incurred for the production (including management, conservation, and maintenance of property held for the production) or collection of income exempt from Connecticut income tax which were deducted on the federal return to arrive at federal adjusted gross income.

5. Add back any amortizable bond premium on bonds producing interest income exempt from Connecticut income tax which premiums were deducted on the federal return to arrive at federal adjusted gross income.
 6. Add back any interest or dividend income on obligations or securities of any authority, commission, or instrumentality of the United States which federal law exempts from federal income tax but does not exempt from state income taxes.
 7. Add back to the extent deductible in determining federal adjusted gross income, any interest expenses on indebtedness incurred or continued to purchase or carry obligations or securities (the income from which is exempt from Connecticut income tax).
 8. Add back the following distributions from an MRA established pursuant to Conn. Gen. Stat. § 32-9zz:
 - 100% of any distribution from such MRA not used to purchase machinery or equipment for use in Connecticut or manufacturing facilities, as defined in Conn. Gen. Stat. § 12-81(72), or for workforce training, development or expansion in Connecticut; **and**
 - 100% of any return of money remaining in the MRA at the end of the five-year period after such account's creation or organization, including any interest earned.
- See **Special Notice 2012(6)**, *2012 Legislative Changes Affecting the Income Tax*.
9. Add back, to the extent not properly includible in gross income for federal income tax purposes, any compensation required to be recognized under 26 U.S.C. § 457A that is attributable to services performed within Connecticut.
 10. Also use Line 37 to report any additions to federal adjusted gross income required for Connecticut income tax purposes which are not listed on Lines 31 through 36.

Line 38: Total Additions

Add Lines 31 through 37 and enter the total.

Subtractions From Federal Adjusted Gross Income

Enter all amounts as positive numbers.

Line 39: Interest on U.S. Government Obligations

Enter the total amount of interest income (to the extent includible in federal adjusted gross income) derived from U.S. government obligations, which federal law prohibits states from taxing (for example, U.S. government bonds such as Saving Bonds Series EE or Series HH and U.S. Treasury bills or notes).

For Series EE U.S. Savings Bonds, you are entitled to include on Line 39 **only** the amount of interest subject to federal income tax after exclusion of the amounts reported on federal Form 8815. In general, you will report the net taxable amount on federal Form 1040, Schedule B.

Do not enter the amount of interest income derived from Federal National Mortgage Association (Fannie Mae) bonds, Government National Mortgage Association (Ginnie Mae) bonds, and Federal Home Loan Mortgage Corporation (Freddie Mac) securities. Federal law does not prohibit states from taxing interest income derived from these obligations and this interest income is taxable for Connecticut income tax purposes.

Do not enter the amount of interest paid to you on any federal income tax refund.

Line 40: Exempt Dividends From Certain Qualifying Mutual Funds Derived From U.S. Government Obligations

Enter the total amount of exempt dividends received from a qualifying mutual fund that are derived from U.S. government obligations. A mutual fund is a qualifying fund if, **at the close of each quarter** of its taxable year, at least 50% of the value of its assets consists of U.S. government obligations. The percentage of dividends that are exempt dividends should be reported to you by the mutual fund.

Do not enter the amount of dividend income derived from Federal National Mortgage Association (Fannie Mae) bonds, Government National Mortgage Association (Ginnie Mae) bonds, and Federal Home Loan Mortgage Corporation (Freddie Mac) securities. Federal law does not prohibit states from taxing income derived from these obligations, and this income is taxable for Connecticut income tax purposes.

Example: A qualifying mutual fund pays a dividend of \$100. Of the distribution, 55% is attributable to U.S. Treasury bills and 45% to other investments. The amount reported on Line 40 is \$55.

See **Policy Statement 2005(2)**, *Connecticut Income Tax on Bonds or Obligations Issued by the United States Government, by State Governments, or Municipalities*.

Line 41: Social Security Benefit Adjustment

If you receive Social Security benefits subject to federal income tax, you may reduce or eliminate the amount of your benefits subject to Connecticut income tax.

Your Social Security benefits are fully exempt from Connecticut income tax if your required filing status is single or married filing separately and the amount reported on Form CT-1040, Line 1, is **less than \$50,000**; or married filing jointly, qualifying widow(er) with dependent child, or head of household and the amount reported on Form CT-1040, Line 1, is **less than \$60,000**. If this is the case, enter on Line 41 the amount of federally taxable Social Security benefits reported on federal Form 1040, Line 5b.

Your Social Security benefits are partially exempt from Connecticut income tax if your federal adjusted gross income is above the threshold for your filing status. If you used the worksheets in the instructions to federal Form 1040 to calculate the amount of taxable Social Security benefits, complete the *Social Security Benefit Adjustment Worksheet*, on Page 26, and enter the amount from Line F on Line 41. If you did not use these worksheets, but instead used worksheets

Social Security Benefit Adjustment Worksheet - Line 41

Enter the amount from Form CT-1040, Line 1.....		
If your filing status is single or married filing separately , is the amount on Line 1 \$50,000 or more?		
<input type="checkbox"/> Yes: Complete this worksheet.		
<input type="checkbox"/> No: Do not complete this worksheet. Enter the amount of federally taxable Social Security benefits you reported on federal Form 1040, Line 5b, on Form CT-1040, Line 41.		
If your filing status is married filing jointly , qualifying widow(er) , or head of household , is the amount on Line 1 \$60,000 or more?		
<input type="checkbox"/> Yes: Complete this worksheet.		
<input type="checkbox"/> No: Do not complete this worksheet. Enter the amount of federally taxable Social Security benefits you reported on federal Form 1040, Line 5b, on Form CT-1040, Line 41.		
A. Enter the amount reported on your 2018 federal Social Security Benefits Worksheet, Line 1.	A.	
If Line A is zero or less, stop here and enter "0" on Line 41. Otherwise, go to Line B.		
B. Enter the amount reported on your 2018 federal Social Security Benefits Worksheet, Line 9. However, if filing separately and you lived with your spouse at any time during 2018, enter the amount reported on Line 7 of your federal Social Security Benefits Worksheet.	B.	
If Line B is zero or less, stop here. Otherwise, go to Line C.		
C. Enter the lesser of Line A or Line B.	C.	
D. Multiply Line C by 25% (.25).	D.	
E. Taxable amount of Social Security benefits reported on your 2018 federal Social Security Benefits Worksheet, Line 18.	E.	
F. Social Security Benefit Adjustment - Subtract Line D from Line E. Enter the amount here and on Form CT-1040, Line 41. If Line D is greater than or equal to Line E, enter "0."	F.	

in federal Publication 590-A or federal Publication 915, see **Announcement 2018(7)**, *Taxability of Social Security Benefits for Connecticut Income Tax Purposes*.

You may use the online **Social Security Benefit Adjustment Calculator** found on the DRS website at portal.ct.gov/DRS and select *Individuals*.

If you are using a worksheet not from a federal publication, such as one you printed from a tax preparation program on your computer or one given to you by your tax preparer, you should verify that the line references from these worksheets are the same as the equivalent federal publication to be certain you are using the proper amounts.

Line 42: Refunds of State and Local Income Taxes

Enter the amount of taxable refunds of state and local income taxes reported on federal Form 1040, Schedule 1, Line 10. If federal Form 1040, Schedule 1, Line 10, is blank, enter "0."

Line 43: Tier 1 and Tier 2 Railroad Retirement Benefits and Supplemental Annuities

If you received Tier 1 or Tier 2, or both, railroad retirement benefits or supplemental annuities during 2018, you may deduct the amount included in your federal adjusted gross income but only to the extent the benefits were not already subtracted from federal adjusted gross income on Line 41 (Social Security Benefit Adjustment). Enter the balance not already subtracted on Line 41 of Tier 1 and Tier 2 railroad retirement benefits reported on federal Form 1040, Line 4b or Line 5b. Likewise, enter the amount of railroad unemployment benefits, including sickness benefits paid by the Railroad Retirement Board (RRB) in lieu of unemployment benefits,

to the extent included in your federal adjusted gross income. However, do not enter sickness benefits paid by the RRB resulting from an on-the-job injury because these benefits are not included in your federal adjusted gross income.

Line 44: Military Retirement Pay

Subtract income received as military retirement pay, to the extent included in federal adjusted gross income, if you are a retired member of the armed forces of the United States or the National Guard (retired military member) or if you are a beneficiary receiving survivor benefits under an option or election made by a deceased retired military member.

Payments received by a former spouse of a retired military member, under a final decree of divorce, dissolution, annulment, or legal separation or a court ordered, ratified, or approved property settlement incident to a decree dividing military retirement pay, do not qualify for the military retirement pay exclusion.

Line 45: 25% of Connecticut Teacher's Retirement Pay

Subtract 25% of the income received from the Connecticut teacher's retirement system, provided you properly included such income in federal adjusted gross income for federal income tax purposes. You must have received a Form 1099-R from the Connecticut Teachers' Retirement Board to be eligible for the subtraction modification.

Line 46: Beneficiary's Share of Connecticut Fiduciary Adjustment

If you have any income from an estate or trust, your share of any Connecticut modifications (that is, your share of the Connecticut fiduciary adjustment) that applies to the income

will be shown on Form CT-1041, *Schedule CT-1041B*, Part 1, Column 5. Your share of these modifications should be provided to you by the fiduciary on Schedule CT-1041 K-1. If your share of these modifications is an amount less than zero, enter the amount on Line 46. If the amount is greater than zero, enter the amount on Line 34.

If you are a beneficiary of more than one trust or estate, enter the net amount of all modifications if less than zero on Line 46.

Line 47: Gain on Sale of Connecticut State and Local Government Bonds

Enter the total of all gains from the sale or exchange of notes, bonds, or other obligations of the State of Connecticut or its municipalities used to determine gain (loss) for federal income tax purposes.

Line 48: Connecticut Higher Education Trust (CHET) Contributions

Enter your contributions to a CHET account(s). The modification cannot exceed the maximum allowable contribution. The maximum CHET contribution that may be subtracted is the lesser of (1) the amount of contributions to all CHET accounts during the taxable year; or (2)(A) \$5,000 for each individual taxpayer (including individuals whose filing status on their Connecticut income tax return is single, head of household, filing separately, or (B) \$10,000 for individuals whose filing status on their Connecticut income tax return is filing jointly or qualifying widow(er) with dependent child.

If your CHET contribution during the taxable year exceeds the maximum CHET contribution, the excess may be carried forward for the five succeeding taxable years provided the CHET contribution carried forward and subtracted from federal adjusted gross income of the succeeding taxable years does not exceed the maximum CHET contribution. CHET contributions made in the current taxable year are used before using any carryover from prior years.

Enter the CHET account number in the space provided. If you made contributions to more than one account, you enter only one account number. See **Special Notice 2006(11)**, *2006 Legislative Changes Affecting the Income Tax*.

Line 48a: 25% of Section 168(k) Federal Bonus Depreciation Deduction Added Back in Preceding Year

Enter 25% of the § 168(k) federal deduction that you added back on your Connecticut income tax return in the preceding taxable year.

Line 49: Other

Use Line 49 to report any of the following modifications:

1. Subtract any income or gain of an enrolled member of the Mashantucket Pequot Tribe who resides in Indian country of such tribe or any income or gain of an enrolled member of the Mohegan Tribe who resides in Indian country of such tribe where the income or gain is derived from or connected with Indian country of the tribe. Enter the words "Mashantucket Pequot Tribe enrolled member" or "Mohegan Tribe enrolled member," as the case may be.

2. Subtract the amount of interest earned on funds deposited in a Connecticut individual development account to the extent included in federal adjusted gross income.
3. Subtract any interest paid on indebtedness incurred to acquire investments that provide income taxable in Connecticut but exempt for federal purposes, that is not deductible in determining federal adjusted gross income, and is attributable to a trade or business of that individual.
4. Subtract expenses paid or incurred for the production (including management, conservation, and maintenance of property held for production) or collection of income taxable in Connecticut but exempt from federal income tax, that are not deductible in determining federal adjusted gross income, and are attributable to a trade or business of that individual.
5. Subtract the amount of any distributions you received from the CHET fund as a designated beneficiary to the extent includable in your federal adjusted gross income.

Congress passed legislation excluding from federal gross income any distribution from a qualified state tuition program (such as CHET) to the extent the distribution is used to pay for qualified higher education expenses (Pub. L. No. 107-16, § 402). To the extent any distribution from CHET is excluded from federal gross income, the amount should not be reported as a subtraction modification on Line 49.

6. Subtract any amortizable bond premium on bonds that provide interest income taxable in Connecticut but exempt from federal income tax, which premiums were not deductible in determining federal adjusted gross income and are attributable to a trade or business of that individual.
7. Subtract the amount of any interest income from notes, bonds, or other obligations of the State of Connecticut included in federal adjusted gross income. This modification includes any Build America Bond tax credit amount if the Build America Bond, as described in Section 1531 of the American Recovery and Reinvestment Act of 2009, was issued by the State of Connecticut or a Connecticut subdivision and only to the extent the credit amount is treated as interest includable in gross income for federal income tax purposes.
8. Subtract the amount of any interest, dividends, or capital gains earned on contributions to accounts established for a designated beneficiary under the Connecticut Homecare Option Program for the Elderly to the extent the interest, dividends, or capital gains are properly included in the gross income of the designated beneficiary for federal income tax purposes.
9. Subtract contributions made to an MRA established pursuant to Conn. Gen. Stat. § 32-9zz.
See **Special Notice 2012(6)**, *2012 Legislative Changes Affecting the Income Tax*.
10. Subtract 20% of the Cancellation of Debt Income amount that you added to your federal adjusted gross income on either your 2009 or 2010 Form CT-1040, Line 33 or Form CT-1040NR/PY, Line 35. You may subtract 20% of that Cancellation of Debt Income amount on the comparable line of your Connecticut income tax return for the 2018 taxable year.

11. Subtract the amount, to the extent included in federal adjusted gross income, of any financial assistance received from the Crumbling Foundations Assistance Fund; paid to or on behalf of the taxpayer under the Collapsing Foundations Credit Enhancements Program; or financial assistance received from a municipality by the taxpayer to repair concrete foundations that have deteriorated due to the presence of pyrrhotite.
12. Subtract certain costs incurred by the taxpayer in connection with the donation to another person of human bone marrow, or all or part of a human liver, pancreas, kidney, intestine, or lung, for the purpose of organ transplantation. The costs include lost wages, medical expenses, travel expenses, and housing expenses. The subtraction can not exceed \$10,000.
13. Subtract the Bioscience Venture Capital amount as calculated on **Schedule CT-BIO**, *Bioscience Worksheet*.

Do **not** use Line 49 to subtract income subject to tax in a qualifying jurisdiction (see *Schedule 2 - Credit for Income Taxes Paid to Qualifying Jurisdictions*, below) or income of a nonresident spouse. See *Special Rules for Married Individuals* on Page 18.

Line 50: Total Subtractions

Add Lines 39 through 49 and enter the total.

Schedule 2 - Credit for Income Taxes Paid to Qualifying Jurisdictions

You **must** first complete Form CT-1040, *Schedule 3 - Credit for Property Taxes Paid on Your Primary Residence, Motor Vehicle, or Both*, before completing *Schedule 2*. See the instructions for *Schedule 3 - Property Tax Credit* on Page 31.

Am I Eligible for the Credit for Income Taxes Paid to Qualifying Jurisdictions

If you are a **resident** of Connecticut and if any part of your income was taxed by a **qualifying jurisdiction**, you may be able to claim a credit against your Connecticut income tax liability for qualifying income tax payments you have made.

Taxpayers seeking a credit for alternative minimum taxes paid to another jurisdiction must complete **Form CT-6251**, *Connecticut Alternative Minimum Tax Return - Individuals*, to calculate their alternative minimum tax credit.

Qualifying Jurisdiction

A qualifying jurisdiction includes another state of the United States, a local government within another state, or the District of Columbia. A qualifying jurisdiction does not include the State of Connecticut, the United States, or a foreign country or its provinces (for example, Canada and Canadian provinces).

Qualifying Income Tax Payments

Qualifying income tax payments are income taxes you actually paid on income:

- Derived from or connected with sources within the qualifying jurisdiction; **and**
- Subject to tax in the qualifying jurisdiction.

Income Derived From or Connected With Sources Within a Qualifying Jurisdiction

- Compensation received for personal services performed in a qualifying jurisdiction;
- Income from a business, trade, or profession carried on in a qualifying jurisdiction;
- Gambling winnings from a state-conducted lottery. See **Informational Publication 2015(23)**, *Connecticut Income Tax Treatment of State Lottery Winnings Received by Residents and Nonresidents of Connecticut*; **or**
- Income from real or tangible personal property situated in a qualifying jurisdiction.

Income from intangibles, such as stocks and bonds, is not considered derived from or connected with sources within a qualifying jurisdiction **unless** the income is from property employed in a business, trade, or profession carried on in that jurisdiction.

What Payments Do Not Qualify

- Income tax payments made to a qualifying jurisdiction on income not derived from or connected with sources within the qualifying jurisdiction (such as wages not derived from or connected with sources within the qualifying jurisdiction);
- Income tax payments made to a qualifying jurisdiction on income not included in your Connecticut adjusted gross income;
- Income tax paid to a jurisdiction that is not a qualifying jurisdiction, including a foreign country or its provinces (for example, Canada and Canadian provinces);
- Alternative minimum tax paid to a qualifying jurisdiction;
- Income tax paid to a qualifying jurisdiction if you claimed credit on that jurisdiction's income tax return for income tax paid to Connecticut; **or**
- Penalties or interest on income taxes you paid to a qualifying jurisdiction.

Limitations to the Credit

The total credit is limited to whichever of the following amounts is least:

- The amount of income tax paid to the qualifying jurisdiction;
- The portion of Connecticut income tax due on the Connecticut adjusted gross income sourced in the qualifying jurisdiction; **or**
- The amount of your Connecticut income tax entered on Form CT-1040, Line 6.

How to Calculate the Credit

You **must** first complete your income tax return(s) for the qualifying jurisdiction(s). Then complete the *Schedule 2 - Worksheet* on Page 30 to determine the amount to enter on *Schedule 2*, Line 53.

The allowed credit must be separately computed for each qualifying jurisdiction. Use separate columns for each qualifying jurisdiction for which you are claiming a credit.

Attach a copy of all income tax returns filed with qualifying jurisdictions to your Connecticut income tax return or the credit will be disallowed.

Taxpayers filing Form CT-1040 electronically should retain copies of all income tax returns filed with qualifying jurisdictions for three years from the date of filing. The forms must be provided to DRS upon request.

Schedule 2 provides two columns, A and B, to compute the credit for two jurisdictions. If you need more than two columns, create a worksheet identical to *Schedule 2* and attach it to the back of your Form CT-1040.

If you are claiming credit for income taxes paid to another state **and** to one of its political subdivisions, follow these rules to determine your credit.

- A. If the **same amount** of income is taxed by both the city and state (see example for Line 56 on Page 31):
 1. Use only **one** column on Form CT-1040, *Schedule 2*, to calculate your credit;
 2. Enter the same income taxed by both city and state in that column on *Schedule 2*; **and**
 3. Combine the amounts of tax paid to the city and the state and enter the total on Line 57 of that column.
- B. If the **amounts** of income taxed by both the city and state **are not the same**:
 1. Use **two** columns on Form CT-1040, *Schedule 2*;
 2. Include only the same income taxed by both jurisdictions in the first column; **and**
 3. Include the excess income taxed by only one of the jurisdictions in the next column.

Schedule 2 - Worksheet Instructions

Complete the Schedule 2 Worksheet to determine the portion of your Connecticut adjusted gross income derived from a qualifying jurisdiction. For each line in Column II, enter the items of income from Column I that meet **all** of the following conditions listed below.

- The income is derived from or connected with sources within a qualifying jurisdiction;
- The income is reported on an income tax return filed with that qualifying jurisdiction and subject to income tax in the jurisdiction; **and**
- You have paid income tax on the income to that qualifying jurisdiction.

If you paid income tax to more than one qualifying jurisdiction, you must complete a separate worksheet for each jurisdiction. Keep the worksheet with your 2018 tax records. Do not attach it to your tax return.

Column I

Enter on Lines 1 through 15 of the worksheet the corresponding amounts entered on your federal income tax return, Form 1040 and Schedule 1.

Enter on Line 17 of the worksheet the amount entered on Line 36 of Schedule 1 of your federal income tax return.

Enter on Line 19 of the worksheet the **net** amount of your Connecticut modifications to federal adjusted gross income. Subtract Form CT-1040, *Schedule 1*, Line 50, from Line 38 to arrive at this amount.

Column II

For each line, enter that portion of the amount entered on the same line of Column I you reported on an income tax return filed with (and on which income tax was paid to) the qualifying jurisdiction. On Line 17, enter only the portion of the total federal adjustments to income **directly related** to income sourced in the qualifying jurisdiction. On Line 19, enter only the portion of Connecticut modifications **directly related** to income sourced in the qualifying jurisdiction. The fact that the qualifying jurisdiction may take into account your entire adjusted gross income (to compute the rate at which your income sourced in that jurisdiction will be taxed) does not mean you paid income tax to that jurisdiction on your entire adjusted gross income. Because you are a nonresident of the qualifying jurisdiction, you may be taxed by that jurisdiction only on your income sourced in that jurisdiction.

Example 1: Amy, a Connecticut resident whose filing status is single, earned wages of \$150,000 from a company located in the State of New York. Amy works inside and outside of New York and allocated her wage income based upon the days worked in New York. She determined \$100,000 to be her New York State allocated wage income and reported and paid this amount on her New York nonresident income tax return. On her federal Form 1040, Line 1, she entered \$150,000. When completing the Schedule 2 Worksheet, she enters \$150,000 in Column I, Line 1, and \$100,000 in Column II, Line 1. Amy also enters \$100,000 on Form CT-1040, *Schedule 2*, Line 53.

Example 2: Luke and Lee file a joint federal Form 1040 and a joint Form CT-1040. Lee's wages as an employee working in Rhode Island are \$20,000 and Luke's wages as an employee working in Connecticut are \$25,000. On their federal Form 1040, Line 1, they enter \$45,000. When completing the Schedule 2 Worksheet, Luke and Lee enter \$45,000 in Column I, Line 1, and \$20,000 in Column II, Line 1. Luke and Lee also enter \$20,000 on Form CT-1040, *Schedule 2*, Line 53.

Example 3: Linda is a sole proprietor of a business conducted at two locations: one in Connecticut and one in Massachusetts. On Linda's federal Form 1040, Schedule 1, Line 12, she entered \$100,000. Of the \$150,000 of gross income reported on federal Form 1040, Schedule C, \$90,000 is derived from the Massachusetts location. Of the \$50,000 of expenses reported on Schedule C, \$35,000 is derived from the Massachusetts location. When completing the Schedule 2 Worksheet, Linda enters \$100,000 in Column I, Line 6, and \$55,000 (\$90,000 - \$35,000) in Column II, Line 6. Linda also enters \$55,000 on Form CT-1040, *Schedule 2*, Line 53.

Schedule 2 – Line Instructions

Line 51: Modified Connecticut Adjusted Gross Income

Add to Connecticut adjusted gross income from Line 5 any **net** loss derived from or connected with sources in a qualifying jurisdiction(s) where you were subject to income taxation whether or not income tax was actually paid to the jurisdiction(s). The modified amount is entered on Line 51.

Example: Fred’s Connecticut adjusted gross income of \$60,000 includes income of \$15,000 from business activities conducted in Massachusetts and a net loss of \$20,000 from a business conducted in Rhode Island. He must add the \$20,000 net loss to the \$60,000 and enter the \$80,000 on Line 51.

Line 52: Taxing Jurisdiction(s)

If you claim credit for income taxes paid to a qualifying jurisdiction, enter the name and the two-letter code of each qualifying jurisdiction for which you are claiming credit. If you are claiming credit for income taxes paid to a political subdivision of another state, enter the name and two-letter code of the state.

Standard Two-Letter Codes

Alabama.....AL	Louisiana.....LA	Ohio.....OH
Arizona.....AZ	Maine.....ME	Oklahoma.....OK
Arkansas.....AR	Maryland.....MD	Oregon.....OR
California.....CA	Massachusetts...MA	Pennsylvania.....PA
Colorado.....CO	Michigan.....MI	Rhode Island.....RI
Delaware.....DE	Minnesota.....MN	South Carolina...SC
District of Columbia DC	Mississippi.....MS	Tennessee.....TN
Georgia.....GA	Missouri.....MO	Utah.....UT
Hawaii.....HI	Montana.....MT	Vermont.....VT
Idaho.....ID	Nebraska.....NE	Virginia.....VA
Illinois.....IL	New Jersey.....NJ	West Virginia...WV
Indiana.....IN	New Mexico.....NM	Wisconsin.....WI
Iowa.....IA	New York.....NY	
Kansas.....KS	North Carolina...NC	
Kentucky.....KY	North Dakota....ND	

Line 53: Non-Connecticut Income

Complete the *Schedule 2 - Worksheet* on this page to determine the total non-Connecticut income included in your Connecticut adjusted gross income and reported on a qualifying jurisdiction’s income tax return. Enter the amount from Column II, Line 20, of the Worksheet.

Line 54

Divide the amount on Line 53 by the amount on Line 51. The result cannot exceed 1.0000. Round to four decimal places.

Line 55: Income Tax Liability

Subtract Line 11 from Line 6 and enter the result.

Schedule 2 - Worksheet

Schedule 2 - Worksheet		
Complete this worksheet and enter the amount from Line 20, Column II, on Form CT-1040, Schedule 2, Line 53. Complete a separate worksheet for each qualifying jurisdiction if you paid income tax to more than one qualifying jurisdiction.	Column I	Column II Amount Taxable in Qualifying Jurisdiction
1. Wages, salaries, tips, etc.	1.	
2. Taxable interest	2.	
3. Ordinary dividends	3.	
4. Taxable refunds, credits, or offsets of state and local income taxes	4.	
5. Alimony received	5.	
6. Business income or (loss)	6.	
7. Capital gain or (loss)	7.	
8. Other gains or (losses)	8.	
9. Taxable amounts of IRAs, pensions, and annuities	9.	
10. <i>Reserved for future use</i>	10.	
11. Rental real estate, royalties, partnerships, S corporations, trusts, etc.	11.	
12. Farm income or (loss)	12.	
13. Unemployment compensation	13.	
14. Taxable amount of social security benefits	14.	
15. Other income (including lump-sum distributions)	15.	
16. Add Lines 1 through 15.	16.	
17. Total federal adjustments to income	17.	
18. Federal adjusted gross income: Subtract Line 17 from Line 16.	18.	
19. Connecticut modifications: See instructions.	19.	
20. Connecticut adjusted gross income: Add Line 18 and Line 19. Enter the amount from Column II on Form CT-1040, Schedule 2, Line 53.	20.	

Line 56

Multiply the percentage arrived at on Line 54 by the amount reported on Line 55.

Example: Jen is a Connecticut resident who worked in City Y, a city in State X, during the taxable year. Jen's filing status is single and her Connecticut adjusted gross income is \$160,000. The amount entered on Jen's Form CT-1040, Line 55, is \$8,850. Both State X and City Y impose an income tax. Her Connecticut adjusted gross income derived from State X is \$80,000 as is her Connecticut adjusted gross income derived from City Y. Because the amounts of income taxed by both State X and City Y are the same, Jen uses one column on Form CT-1040, *Schedule 2*. Jen pays an income tax of \$6,000 to State X and an income tax of \$360 to City Y. Since Jen's Form CT-1040, Line 51, is \$160,000, her *Schedule 2* is completed as follows:

	Column A	Column B
Line 52	State X, City Y	
Line 53	80,000 00	00
Line 54	.5000	
Line 55	8,850 00	00
Line 56	4,425 00	00
Line 57	6,360 00	00
Line 58	4,425 00	00
Line 59	Total Credit	4,425 00

Line 57: Income Tax Paid to a Qualifying Jurisdiction

Enter the total amount of income tax paid to a qualifying jurisdiction.

Income tax paid means the lesser of your income tax liability to the qualifying jurisdiction or the income tax paid to that jurisdiction as reported on a return filed with that jurisdiction, but not penalty or interest. Do **not** report the amount of tax withheld for that jurisdiction directly from your Form W-2 or 1099. You **must** first complete a return for the qualifying jurisdiction to determine the amount of income tax paid.

Line 58

Enter the lesser of the amounts reported on Line 56 or Line 57.

Do not enter negative amounts. If zero or less, enter "0".

Line 59: Total Credit for Income Taxes Paid to Qualifying Jurisdictions

Add the amounts from Line 58, Column A, Line 58, Column B, and Line 58 of any additional worksheets. The amount on Line 59 cannot exceed the amount on Line 56. Enter the total here and on Form CT-1040, Line 7.

Taxpayers filing a paper Form CT-1040 must attach a copy of all income tax returns filed with qualifying jurisdictions to your Connecticut income tax return or the credit will be disallowed.

Taxpayers filing Form CT-1040 electronically should retain copies of all income tax returns filed with qualifying jurisdictions for three years from the date of filing. The forms must be provided to DRS upon request.

Schedule 3 – Property Tax Credit

To qualify for the property tax credit, you, or your spouse if married filing jointly, must be 65 years of age or older by the end of the taxable year, **or** you must have claimed at least one dependent on your federal income tax return. Connecticut residents **must** complete *Schedule 3* to determine the amount of credit (if any) that may be taken against a Connecticut income tax liability. The credit is for property taxes paid during 2018 to a Connecticut political subdivision on a primary residence, privately owned or leased motor vehicle, or both. You must attach Schedule 3 to Form CT-1040 or your credit will be disallowed. If you entered zero on Form CT-1040, Line 10, **do not** complete this schedule. See **Informational Publication 2017(23), Q&A: Income Tax Credit for Property Taxes Paid to a Connecticut Political Subdivision**.

Which Property Tax Bills Qualify

You may take credit against your 2018 Connecticut income tax liability for qualifying property tax payments you made on your primary residence, privately owned or leased motor vehicle, or both, to a Connecticut political subdivision. Generally, property tax bills due and paid during 2018 qualify for this credit. This includes any installment payments you made during 2018 that were due in 2018 and any installments you prepaid during 2018 due in 2019. Supplemental property tax bills that were due during 2018 or 2019 also qualify if paid during 2018. However, the late payment of any property tax bills or the payment of any interest, fees, or charges related to the property tax bill do not qualify for the credit.

Taxpayers who file a joint Connecticut income tax return may include property tax bills for which each spouse is individually or jointly liable.

You may take credit for a leased motor vehicle if you had a written lease agreement for a term of more than one year, and the property tax became due and was paid during 2018 (either by the leasing company or by you). Refer to your January 2019 billing statement from the leasing company to determine the amount of property taxes that may be eligible for the credit. Your statement will either indicate the amount of property taxes paid on your leased motor vehicle or provide you with a toll-free number you may call to obtain the necessary information. If you do not receive a billing statement in January 2019, contact your leasing company for the appropriate property tax information.

Example 1: Lisa received a property tax bill for a motor vehicle listed on her town's October 1, 2016, grand list. The bill was payable in two installments, July 1, 2017, and January 1, 2018. If Lisa paid the January 1, 2018, installment on January 1, 2018, she is eligible to claim it on her 2018 income tax return. If she prepaid it during 2017, she is not eligible to take credit for it on her 2018 return, but she may have been eligible to take credit for it on her 2017 return.

Example 2: Mary received a property tax bill for a motor vehicle listed on her town's October 1, 2017, grand list. The bill was payable in two installments, July 1, 2018, and January 1, 2019. Mary is eligible to take credit for both installments on her 2018 income tax return if she paid both installments during 2018. If Mary waited until January 1,

Property Tax Credit Table

To qualify for the property tax credit, you, or your spouse if married filing jointly, must be 65 years of age or older by the end of the taxable year, OR you must have claimed at least one dependent on your federal income tax return.

Enter the amount from **Form CT-1040, Schedule 3 - Property Tax Credit**, Line 65, on Line 68 and Line 11, **if your filing status is:**

Single and your Connecticut AGI is	\$49,500 or less
Married Filing jointly or qualifying widow(er) and your Connecticut AGI is	\$70,500 or less
Married Filing separately and your Connecticut AGI is	\$35,250 or less
Head of household and your Connecticut AGI is	\$54,500 or less

Otherwise, enter the decimal amount from the Property Tax Credit Table below on Form CT-1040, *Schedule 3*, Line 66.

Use your filing status on the front of your tax return and your Connecticut AGI - Form CT-1040, Line 5.

Single			Married Filing Jointly or Qualifying Widow(er)		
If you are single and your Connecticut AGI is:			If you are married filing jointly, or qualifying widow(er) and your Connecticut AGI is:		
More Than	Less Than or Equal To	Decimal Amount	More Than	Less Than or Equal To	Decimal Amount
\$ 0	\$49,500	0	\$ 0	\$70,500	0
\$49,500	\$59,500	.15	\$70,500	\$80,500	.15
\$59,500	\$69,500	.30	\$80,500	\$90,500	.30
\$69,500	\$79,500	.45	\$90,500	\$100,500	.45
\$79,500	\$89,500	.60	\$100,500	\$110,500	.60
\$89,500	\$99,500	.75	\$110,500	\$120,500	.75
\$99,500	\$109,500	.90	\$120,500	\$130,500	.90
\$109,500	and up	1.00	\$130,500	and up	1.00

Married Filing Separately			Head of Household		
If you are married filing separately and your Connecticut AGI is:			If you are head of household and your Connecticut AGI is:		
More Than	Less Than or Equal To	Decimal Amount	More Than	Less Than or Equal To	Decimal Amount
\$ 0	\$35,250	0	\$ 0	\$54,500	0
\$35,250	\$40,250	.15	\$54,500	\$64,500	.15
\$40,250	\$45,250	.30	\$64,500	\$74,500	.30
\$45,250	\$50,250	.45	\$74,500	\$84,500	.45
\$50,250	\$55,250	.60	\$84,500	\$94,500	.60
\$55,250	\$60,250	.75	\$94,500	\$104,500	.75
\$60,250	\$65,250	.90	\$104,500	\$114,500	.90
\$65,250	and up	1.00	\$114,500	and up	1.00

2019, to pay her second installment, she is not eligible to take credit on her 2018 return for this installment, but she may be eligible to take credit for it on her 2019 return.

Maximum Credit Allowed

The **maximum** credit allowed (on your primary residence, motor vehicle, or both) is **\$200** per return regardless of filing status.

This maximum property tax credit cannot exceed the amount of qualifying property taxes paid or the amount of tax entered on Form CT-1040, Line 10, and is phased out depending upon your Connecticut adjusted gross income. To be allowed this credit, you must complete *Schedule 3* in its entirety and attach it to your return.

Motor Vehicle Credit Restrictions

The number of motor vehicles eligible for this credit depends on your filing status as shown on the front of your Connecticut income tax return. Any individual whose filing status is single, filing separately, or head of household is limited

to the property tax paid on **one** motor vehicle even if the individual sells a motor vehicle and purchases a replacement motor vehicle during the taxable year and only owns one motor vehicle at any time during the taxable year. Individuals whose filing status is filing jointly or qualifying widow(er) with dependent child are limited to the property taxes paid on **two** motor vehicles.

You may also use the online **Property Tax Credit Calculator** found on the DRS website at portal.ct.gov/DRS and select *Individual*. If you choose to use the online calculator, you **must** complete lines 60 through 63 of *Schedule 3, Property Tax Credit* found on the CT-1040, Page 4, or your credit will be denied.

Schedule 3 – Line Instructions

Name of Connecticut Tax Town or District

Enter the Connecticut town or taxing district to which the qualifying property tax was paid.

Description of Property

Enter the description of the property. If a primary residence, enter the street address. If a motor vehicle, enter the year, make, and model.

Date(s) Paid

Enter the date(s) you paid qualifying property tax.

Line 60: Primary Residence

Enter the total amount of property tax paid on your primary residence.

Line 61: Auto 1

Enter the total amount of property tax paid on your motor vehicle.

Line 62: Filing Jointly or Qualifying Widow(er) Only - Auto 2

Enter the total amount of property tax paid on your second motor vehicle.

Line 63

Add Lines 60, 61, and 62 and enter the total.

Line 64

The maximum property tax credit allowed is **\$200**.

Line 65

Enter the lesser of Line 63 or Line 64.

Line 66

Enter "0" on Line 66 and enter amount from Line 65 on Line 68 if your:

Filing status is:	Connecticut adjusted gross income is:
Single	\$ 49,500 or less
Married filing jointly or qualifying widow(er)	\$ 70,500 or less
Married filing separately	\$ 35,250 or less
Head of household	\$ 54,500 or less

Otherwise, go to the *Property Tax Credit Table* on Page 32 or visit portal.ct.gov/DRS to use the Property Tax Calculator. Enter the decimal amount from the *Property Tax Credit Table* on Form CT-1040, Line 66.

Connecticut Individual Use Tax Worksheet

Section A - 1% Tax Rate: Computer and Data Processing Services

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
Date of Purchase	Description of Services	Retailer or Service Provider	Purchase Price	CT Tax Due (Col. 4 X .01)	Taxes Paid	Balance Due (Col. 5 minus Col. 6)
Add Column 7 amounts and enter total here and on Form CT-1040, Schedule 4, Line 69a.						

Section B - 6.35% Tax Rate

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
Date of Purchase	Description of Goods or Services	Retailer or Service Provider	Purchase Price	CT Tax Due (Col. 4 X .0635)	Taxes Paid	Balance Due (Col. 5 minus Col. 6)
Add Column 7 amounts and enter total here and on Form CT-1040, Schedule 4, Line 69b.						

Section C - 7.75% Tax Rate

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
Date of Purchase	Description of Goods	Retailer	Purchase Price	CT Tax Due (Col. 4 X .0775)	Taxes Paid	Balance Due (Col. 5 minus Col. 6)
Add Column 7 amounts and enter total here and on Form CT-1040, Schedule 4, Line 69c.						

Section D - 2.99% Tax Rate

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
Date of Purchase	Description of Goods	Retailer	Purchase Price	CT Tax Due (Col. 4 X .0299)	Taxes Paid	Balance Due (Col. 5 minus Col. 6)
Add Column 7 amounts and enter total here and on Form CT-1040, Schedule 4, Line 69d.						

Line 67

Multiply Line 65 by Line 66.

Line 68

Subtract Line 67 from Line 65. Enter here and on the front of Form CT-1040, Line 11.

Schedule 4 – Individual Use Tax

In general, goods or services purchased out-of-state that would be subject to the Connecticut sales tax if those goods or services were purchased from a Connecticut seller are subject to the Connecticut use tax if the out-of-state seller did not charge and collect sales tax on the sale. Generally, this includes purchases of goods by mail order, telephone, or online when the goods are shipped or delivered to Connecticut and when the purchaser brings goods back into Connecticut.

Use tax is due when taxable purchases are made but Connecticut sales tax is not paid. Any individual or business purchasing taxable goods or services for use in Connecticut without paying Connecticut sales tax must pay use tax. The general use tax rate is 6.35%. However, the following items are subject to a 7.75% use tax rate:

- Most motor vehicles exceeding \$50,000;
- Each piece of jewelry exceeding \$5,000;
- Each piece of clothing or pair of footwear exceeding \$1,000; **and**
- A handbag, luggage, umbrella, wallet, or watch exceeding \$1,000.

Computer and data processing services are subject to a 1% use tax rate.

Vessels, motors for vessels, and trailers to transport vessels are subject to a 2.99% use tax rate.

Use the *Connecticut Individual Use Tax Worksheet*, on Page 33, to calculate your use tax liability. Keep the worksheet for your records. You must provide the worksheet to DRS upon request. See **Informational Publication 2016(19), Q&A on the Connecticut Individual Use Tax**.

Report only those purchases subject to use tax you have not previously reported on **Form OP-186, Connecticut Individual Use Tax Return**.

The *Sample Use Tax Table* on Page 6 illustrates the use tax due only for various levels of purchases subject to the 6.35% and 7.75% use tax rates.

Line 69

Complete the *Connecticut Individual Use Tax Worksheet* on Page 33. Enter the totals from Column 7 of each section on Lines 69a, 69b, 69c and 69d. Add the amounts on Lines 69a, 69b, 69c and 69d, and enter the total on Line 69. Also enter on Form CT-1040, Line 15.

If no Connecticut use tax is due, you must enter “0” on Form CT-1040, Line 15. If you do not make an entry on Line 15, you will not have filed a use tax return. **Failure to file a use tax return and to remit use tax due will subject you to a**

10% penalty of the total use tax due plus a 1% interest per month or a fraction of a month. You also may be subject to a penalty of up to \$5,000, imprisonment for up to 5 years, or both, for willfully submitting a false return.

Connecticut Individual Use Tax Worksheet Section Instructions

Complete the following sections for purchases subject to each tax rate:

- **Section A** for purchases of computer and data processing services subject to the 1% tax rate.
- **Section B** for purchases subject to the 6.35% tax rate.
- **Section C** for purchases subject to the 7.75% tax rate.
- **Section D** for purchases subject to the 2.99% tax rate.

Column Instructions

Column 1

Enter the month and day of the purchase.

Column 2

Enter a brief description of the taxable item or service purchased (jewelry, computer, etc.).

Column 3

Enter the name of the retailer the item or service was purchased from.

Column 4

Enter the purchase price.

List separately any individual item with a purchase price of **\$300 or more**. Although you do not need to list separately any individual item with a purchase price of **less than \$300**, the items are subject to tax and the total of the purchase price of these items should be reported.

Column 5

Multiply the purchase price in Column 4 by the applicable tax rate and enter the result.

Column 6

If you paid sales tax to another state, the District of Columbia, or a U.S. territory, enter the amount paid.

Column 7

Subtract the amount entered in Column 6 from the amount entered in Column 5 and enter the difference in Column 7.

Add Column 7 amounts and enter total. Do not enter negative amounts. If zero or less, enter “0.”

Enter the total tax for each Section on *Schedule 4*, Lines 69a through 69d.

Schedule CT-EITC - Connecticut Earned Income Tax Credit

Who qualifies?

To qualify for the Connecticut earned income tax credit (CT EITC) you must:

1. Have claimed and been allowed the 2018 federal earned income credit (EIC); **and**
2. Be a **full-year** resident of the State of Connecticut.

Part-year residents and nonresidents do not qualify for the CT EITC and must file Form CT-1040NR/PY.

How to Claim the Connecticut Earned Income Tax Credit

Complete **Schedule CT-EITC**, *Connecticut Earned Income Tax Credit*, using the information from your federal return, worksheets, and, if applicable, federal EIC line instructions. Attach Schedule CT-EITC to the back of Form CT-1040.

Protect Yourself

DRS wants to make it easy for qualified residents to receive their CT EITC, but also reminds taxpayers to take steps to prevent identity theft. Taxpayers need to protect Social Security Numbers and other taxpayer identity information to prevent others from improperly claiming the credit.

Do not let others prepare your Schedule CT-EITC with false information to get more money back for themselves. Avoid predatory tax preparers who charge high fees or claim they can get you a larger tax refund for a percentage of the refund. These activities are crimes and should be reported to DRS, at **855-842-1441**.

Eligibility Reviews

DRS reviews CT EITC requests to determine if taxpayers qualify for the credit. Approval of the federal earned income credit does not guarantee eligibility for the CT EITC. DRS may request additional information to determine if a credit claim is valid. You must keep accurate records to support all items reported on Schedule CT-EITC.

Schedule CT-EITC - Line instructions

Line 1

You must have claimed the 2018 federal earned income credit to claim the CT EITC.

Line 2

You cannot claim the CT EITC if your investment income is more than \$3,500. Investment income is the total amount of:

- Taxable interest (federal Form 1040, Line 2b);
- Tax-exempt interest (federal Form 1040, Line 2a);
- Ordinary dividends income (federal Form 1040, Line 3b); **and**
- Capital gain net income from federal Form 1040, Schedule 1, Line 13 (if more than zero).

For additional information on what qualifies as investment income, see federal Publication 596, Earned Income Credit.

Line 3

File Schedule CT-EITC with Form CT-1040. If Form CT-1040 was already filed, you must file a 2018 Form CT-1040X to claim the credit.

Schedule CT-EITC cannot be filed by itself. Schedule CT-EITC must be attached to a completed Form CT-1040 or Form CT-1040X.

Line 4

If claiming qualifying children on federal Schedule EIC, mark an X in the **Yes** box and then complete Line 5. Otherwise, mark an X in the **No** box and go to Line 6.

Line 5

If claiming qualifying children on federal Schedule EIC, list the same children (up to three) in the spaces provided. If claiming more than three qualifying children on federal Schedule EIC, enter the required information for three qualifying children in the spaces provided on the schedule and attach a statement with the required identifying information for each additional child. Include taxpayer name and social security number (SSN) on the attachment.

To be eligible to claim the CT EITC, you (and your spouse if filing a joint return) must have a valid SSN issued by the Social Security Administration (SSA) by the due date of your 2018 return (including extensions). Any qualifying child listed on *Schedule CT-EITC* must have a valid SSN by the due date of your 2018 return (including extensions).

If a SSN for you or your spouse is missing from your return because either you or your spouse did not have a valid SSN by the due date or extended due date of your 2018 return, and you later get a valid SSN, you cannot file an amended return to claim the CT EITC.

If a social security number has been applied for by filing federal Form SS-5 with the Social Security Administration, but has not been received by the return due date you may file Form CT-1040 EXT, to request an extension of time to file. Form CT-1040 EXT does not extend the time to pay your income tax. You must pay the amount of tax that you expect to owe on or before the original due date of the return (see Form CT-1040 EXT).

Mark an X in the box confirming each child who was identified on federal Schedule EIC, box 4a, as a full-time student.

Mark an X in the box confirming each child who was identified on federal Schedule EIC, box 4b as disabled.

Line 6

If you did not claim Connecticut withholding on Form CT-1040, Line 18, and *Wages, tips, and other compensation* was reported on Forms W-2 or 1099, mark an X in the **Yes** box and enter the following information (from up to three jobs) on Lines 6a, 6b, and 6c. Otherwise, mark an X in the **No** box and go to Line 7.

Column A

Enter the employer's federal identification number (EIN) from Form W-2 or the payer's federal identification number from Form 1099.

Column B

Enter the employer's state identification number from Form W-2 or Form 1099.

Column C

Enter your wages, tips, and other compensation from Form W-2 or Form 1099.

Line 7

You are self-employed if you:

- Carry on a trade or business as a sole proprietor;
- Are an independent contractor;
- Are a member of a partnership;
- Are a member of a limited liability company; **or**
- Are in business for yourself in any other way.

Self-employment can include work in addition to your regular, full-time job. This could include part-time work you do in or outside your home.

If you were self-employed then you had business income or loss that you reported on your federal Form 1040. If you claimed income or loss from one or more businesses, mark an X in the **Yes** box and enter the following information (for up to three primary business activities) on Lines 7a, 7b, and 7c. Otherwise, mark an X in the **No** box and go to Line 8.

See **Informational Publication 2015(20)**, *Recordkeeping Suggestions for Self-Employed Persons*, or visit the DRS CT EITC website at portal.ct.gov/DRS.

Column A

Enter your federal employer identification number (EIN) for your business. If any primary business activity does not have an EIN, enter your SSN.

Column B

Enter the Connecticut tax registration number for your business.

Column C

Enter the amount of business income or loss. Use a minus sign to show a loss or a negative amount.

Line 8

Enter the federal EIC claimed for tax year 2018 from federal Form 1040, Line 17a.

Line 9

For the tax year 2018, the CT EITC is 23% (.23) of the federal EIC.

Line 11

If your filing status was married filing jointly on your federal income tax return but you are required to file as married filing separately on your Connecticut Form CT-1040, mark an X in the **Yes** box and complete Lines 12 through 15. See *Taxpayer Information*, on Page 18.

Otherwise, mark an X in the **No** box and skip Lines 12 through 15.

Line 16

This is your Connecticut Earned Income Tax Credit. If your filing status is married filing separately, enter the amount from Line 15. Otherwise, enter the amount from Line 10. Enter the amount from Line 16 on Form CT-1040, Line 20a.

Amended Returns

Purpose: Use a 2018 Form CT-1040X to amend a previously-filed 2018 Connecticut income tax return for individuals. Visit the DRS **Taxpayer Service Center (TSC)** at portal.ct.gov/TSC to file Form CT-1040X online.

If Form CT-1040X is filed to have an overpayment of Connecticut income tax refunded or credited, it must be filed before the Connecticut statute of limitations expires. Generally, the Connecticut statute of limitations for refunding or crediting any Connecticut income tax overpayment expires three years after the due date of the return, but if a timely request for an extension of time to file a return was filed, the statute of limitations expires three years after the extended due date of the return or three years after the date of filing the return, whichever is earlier. If you were required to file an amended return, but failed to do so, a penalty may be imposed. Interest will also be assessed on any additional Connecticut income tax not paid on or before the due date. See *Interest and Penalties* on Page 15.

You must file Form CT-1040X in the following circumstances:

<p>1. The IRS or federal courts change or correct your federal income tax return and the change or correction results in your Connecticut income tax being overpaid or underpaid.</p>	<p>File Form CT-1040X no later than 90 days after final determination. If you file Form CT-1040X no later than 90 days after the date of the final determination, any Connecticut income tax overpayment resulting from the final determination will be refunded or credited to you even if the Connecticut statute of limitations has otherwise expired.</p>
<p>2. You filed a timely amended federal income tax return and the amendment results in your Connecticut income tax being overpaid or underpaid.</p>	<p>File Form CT-1040X no later than 90 days after final determination. If you file Form CT-1040X no later than 90 days after the date of the final determination, any Connecticut income tax overpayment resulting from filing the timely amended federal income tax return will be refunded or credited to you even if the Connecticut statute of limitations has otherwise expired.</p>
<p>3. You claimed a credit for income tax paid to a qualifying jurisdiction on your original income tax return and the tax officials or courts of the qualifying jurisdiction made a change or correction to your income tax return and the change or correction results in your Connecticut income tax being overpaid or underpaid (by increasing or decreasing the amount of your allowable credit).</p>	<p>File Form CT-1040X no later than 90 days after final determination. If you file Form CT-1040X no later than 90 days after the date of the final determination and you claimed credit for income tax paid to a qualifying jurisdiction on your original income tax return, any Connecticut income tax overpayment resulting from the final determination will be refunded or credited to you even if the Connecticut statute of limitations has otherwise expired.</p>
<p>4. You claimed a credit for income tax paid to a qualifying jurisdiction on your original income tax return and you filed a timely amended income tax return with that qualifying jurisdiction and the amendment results in your Connecticut income tax being overpaid or underpaid (by increasing or decreasing the amount of your allowable credit).</p>	<p>File Form CT-1040X no later than 90 days after final determination. If you file Form CT-1040X no later than 90 days after the date of the final determination on a timely-amended return with a qualifying jurisdiction and you claimed credit for income tax paid to a qualifying jurisdiction on your original income tax return, any Connecticut income tax overpayment resulting from the final determination will be refunded or credited to you even if the Connecticut statute of limitations has otherwise expired.</p>
<p>5. If none of the above circumstances apply, but you made a mistake or omission on your Connecticut income tax return and the mistake or omission results in your Connecticut income tax being overpaid or underpaid.</p>	<p>File Form CT-1040X no later than three years after the due date of your return, or if you filed a timely request for an extension of time to file, three years after the date of filing the return or three years after the extended due date, whichever is earlier.</p>

Do not file Form CT-1040X for any of the following reasons:

- To have an overpayment refunded instead of applied to next year’s estimated tax or to change your contributions to designated charities. The elections that you made on your original return **cannot** be changed by filing Form CT-1040X.
- To amend your Connecticut income tax return for an earlier year to claim a credit for income tax paid on income included in your Connecticut adjusted gross income for that year and repaid in a later taxable year. File **Form CT-1040CRC**, *Claim of Right Credit*, with your Connecticut income tax return for the later taxable year.

Financial Disability

If you are financially disabled, as defined in IRC § 6511(h)(2), the time for having an overpayment of Connecticut income tax refunded or credited to you is extended for as long as you are financially disabled. You are considered financially disabled if you are unable to manage your own affairs by reason of a medically determinable physical or mental impairment that has lasted or can be expected to last for a continuous period of not less than 12 months. You are not considered financially disabled during any period that your spouse or any other person is authorized to act on your behalf in financial matters. See **Policy Statement 2001(14)**, *Claims for Refund Made by Financially Disabled Individuals*.

Tax Calculation Schedule



Calculate your tax instantly online using the Connecticut 2018 Income Tax Calculator. Visit the DRS website at portal.ct.gov/DRS and select *For Individuals*.

1. Enter Connecticut adjusted gross income (AGI) from Form CT-1040, Line 5.	1.	00
2. Enter the exemption amount from <i>Table A, Personal Exemptions</i> . If zero, enter "0."	2.	00
3. Connecticut Taxable Income: Subtract Line 2 from Line 1. If less than zero, enter "0."	3.	00
4. Enter amount from <i>Table B, Initial Tax Calculation</i> .	4.	00
5. Enter amount from <i>Table C, 3% Tax Rate Phase-Out Add-Back</i> . If zero, enter "0."	5.	00
6. Enter amount from <i>Table D, Tax Recapture</i> . If zero, enter "0."	6.	00
7. Add Lines 4, 5, and 6.	7.	00
8. Enter the decimal amount from <i>Table E, Personal Tax Credits</i> . If zero, enter "0."	8.	.
9. Multiply amount on Line 7 by the decimal amount on Line 8.	9.	00
10. Connecticut Income Tax: Subtract Line 9 from Line 7. Enter here and on Form CT-1040, Line 6.	10.	00

Table A - Personal Exemptions

Enter the exemption amount on the *Tax Calculation Schedule*, Line 2 and continue to Line 3.

Use the filing status shown on the front of your return and your Connecticut AGI (*Tax Calculation Schedule*, Line 1) to determine your personal exemption.

Single			Married Filing Jointly or Qualified Widow(er)			Married Filing Separately			Head of Household		
Connecticut AGI		Exemption	Connecticut AGI		Exemption	Connecticut AGI		Exemption	Connecticut AGI		Exemption
More Than	Less Than or Equal To		More Than	Less Than or Equal To		More Than	Less Than or Equal To		More Than	Less Than or Equal To	
\$ 0	\$30,000	\$15,000	\$ 0	\$48,000	\$24,000	\$ 0	\$24,000	\$12,000	\$ 0	\$38,000	\$19,000
\$30,000	\$31,000	\$14,000	\$48,000	\$49,000	\$23,000	\$24,000	\$25,000	\$11,000	\$38,000	\$39,000	\$18,000
\$31,000	\$32,000	\$13,000	\$49,000	\$50,000	\$22,000	\$25,000	\$26,000	\$10,000	\$39,000	\$40,000	\$17,000
\$32,000	\$33,000	\$12,000	\$50,000	\$51,000	\$21,000	\$26,000	\$27,000	\$ 9,000	\$40,000	\$41,000	\$16,000
\$33,000	\$34,000	\$11,000	\$51,000	\$52,000	\$20,000	\$27,000	\$28,000	\$ 8,000	\$41,000	\$42,000	\$15,000
\$34,000	\$35,000	\$10,000	\$52,000	\$53,000	\$19,000	\$28,000	\$29,000	\$ 7,000	\$42,000	\$43,000	\$14,000
\$35,000	\$36,000	\$ 9,000	\$53,000	\$54,000	\$18,000	\$29,000	\$30,000	\$ 6,000	\$43,000	\$44,000	\$13,000
\$36,000	\$37,000	\$ 8,000	\$54,000	\$55,000	\$17,000	\$30,000	\$31,000	\$ 5,000	\$44,000	\$45,000	\$12,000
\$37,000	\$38,000	\$ 7,000	\$55,000	\$56,000	\$16,000	\$31,000	\$32,000	\$ 4,000	\$45,000	\$46,000	\$11,000
\$38,000	\$39,000	\$ 6,000	\$56,000	\$57,000	\$15,000	\$32,000	\$33,000	\$ 3,000	\$46,000	\$47,000	\$10,000
\$39,000	\$40,000	\$ 5,000	\$57,000	\$58,000	\$14,000	\$33,000	\$34,000	\$ 2,000	\$47,000	\$48,000	\$ 9,000
\$40,000	\$41,000	\$ 4,000	\$58,000	\$59,000	\$13,000	\$34,000	\$35,000	\$ 1,000	\$48,000	\$49,000	\$ 8,000
\$41,000	\$42,000	\$ 3,000	\$59,000	\$60,000	\$12,000	\$35,000	and up	\$ 0	\$49,000	\$50,000	\$ 7,000
\$42,000	\$43,000	\$ 2,000	\$60,000	\$61,000	\$11,000				\$50,000	\$51,000	\$ 6,000
\$43,000	\$44,000	\$ 1,000	\$61,000	\$62,000	\$10,000				\$51,000	\$52,000	\$ 5,000
\$44,000	and up	\$ 0	\$62,000	\$63,000	\$ 9,000				\$52,000	\$53,000	\$ 4,000
			\$63,000	\$64,000	\$ 8,000				\$53,000	\$54,000	\$ 3,000
			\$64,000	\$65,000	\$ 7,000				\$54,000	\$55,000	\$ 2,000
			\$65,000	\$66,000	\$ 6,000				\$55,000	\$56,000	\$ 1,000
			\$66,000	\$67,000	\$ 5,000				\$56,000	and up	\$ 0
			\$67,000	\$68,000	\$ 4,000						
			\$68,000	\$69,000	\$ 3,000						
			\$69,000	\$70,000	\$ 2,000						
			\$70,000	\$71,000	\$ 1,000						
			\$71,000	and up	\$ 0						

Table B - Initial Tax Calculation

Enter the initial tax calculation amount on the *Tax Calculation Schedule*, Line 4 and continue to Line 5.

Complete **all** lines of the *Tax Calculation Schedule* on Page 48 to correctly calculate your 2018 Connecticut income tax.

Use the filing status shown on the front of your return.



Calculate your tax instantly online using the Connecticut *2018 Income Tax Calculator*. Visit the DRS website at portal.ct.gov/DRS and select *For Individuals*.

Single or Married Filing Separately

If the amount on Line 3 of the Tax Calculation Schedule is:

Less than or equal to:	\$ 10,000.....	3.00%
More than \$10,000, but less than or equal to	\$ 50,000.....	\$300 plus 5.0% of the excess over \$10,000
More than \$50,000, but less than or equal to	\$100,000.....	\$2,300 plus 5.5% of the excess over \$50,000
More than \$100,000, but less than or equal to	\$200,000.....	\$5,050 plus 6.0% of the excess over \$100,000
More than \$200,000, but less than or equal to	\$250,000.....	\$11,050 plus 6.5% of the excess over \$200,000
More than \$250,000, but less than or equal to	\$500,000.....	\$14,300 plus 6.9% of the excess over \$250,000
More than \$500,000		\$31,550 plus 6.99% of the excess over \$500,000

◀ Enter result on Tax Calculation Schedule, Line 4 (on Page 48) and continue to Line 5. ▶

Single or Married Filing Separately Examples:

Line 3 is \$13,000, Line 4 is \$450

\$13,000 - \$10,000	=	\$3,000
\$3,000 X .05	=	\$150
\$300 + \$150	=	\$450

Line 3 is \$525,000, Line 4 is \$33,298

\$525,000 - \$500,000	=	\$25,000
\$25,000 x .0699	=	\$1,748
\$31,550 + \$1,748	=	\$33,298

Married Filing Jointly/Qualifying Widow(er)

If the amount on Line 3 of the Tax Calculation Schedule is:

Less than or equal to:	\$ 20,000.....	3.00%
More than \$20,000, but less than or equal to	\$100,000.....	\$600 plus 5.0% of the excess over \$20,000
More than \$100,000, but less than or equal to	\$200,000.....	\$4,600 plus 5.5% of the excess over \$100,000
More than \$200,000, but less than or equal to	\$400,000.....	\$10,100 plus 6.0% of the excess over \$200,000
More than \$400,000, but less than or equal to	\$500,000.....	\$22,100 plus 6.5% of the excess over \$400,000
More than \$500,000, but less than or equal to	\$1,000,000.....	\$28,600 plus 6.9% of the excess over \$500,000
More than \$1,000,000		\$63,100 plus 6.99% of the excess over \$1,000,000

◀ Enter result on Tax Calculation Schedule, Line 4 (on Page 48) and continue to Line 5. ▶

Married Filing Jointly/Qualifying Widow(er) Examples:

Line 3 is \$22,500, Line 4 is \$725

\$22,500 - \$20,000	=	\$2,500
\$2,500 x .05	=	\$125
\$600 + \$125	=	\$725

Line 3 is \$1,100,000, Line 4 is \$70,090

\$1,100,000 - \$1,000,000	=	\$100,000
\$100,000 x .0699	=	\$6,990
\$63,100 + \$6,990	=	\$70,090

Head of Household

If the amount on Line 3 of the Tax Calculation Schedule is:

Less than or equal to:	\$ 16,000.....	3.00%
More than \$16,000, but less than or equal to	\$ 80,000.....	\$480 plus 5.0% of the excess over \$16,000
More than \$80,000, but less than or equal to	\$160,000.....	\$3,680 plus 5.5% of the excess over \$80,000
More than \$160,000, but less than or equal to	\$320,000.....	\$8,080 plus 6.0% of the excess over \$160,000
More than \$320,000, but less than or equal to	\$400,000.....	\$17,680 plus 6.5% of the excess over \$320,000
More than \$400,000, but less than or equal to	\$800,000.....	\$22,880 plus 6.9% of the excess over \$400,000
More than \$800,000		\$50,480 plus 6.99% of the excess over \$800,000

◀ Enter result on Tax Calculation Schedule, Line 4 (on Page 48) and continue to Line 5. ▶

Head of Household Examples:

Line 3 is \$20,000, Line 4 is \$680

\$20,000 - \$16,000	=	\$4,000
\$4,000 x .05	=	\$200
\$480 + \$200	=	\$680

Line 3 is \$825,000, Line 4 is \$52,228

\$825,000 - \$800,000	=	\$25,000
\$25,000 x .0699	=	\$1,748
\$50,480 + \$1,748	=	\$52,228



Calculate your tax instantly online using the Connecticut 2018 Income Tax Calculator. Visit the DRS website at portal.ct.gov/DRS and select For Individuals.

Table C - 3% Tax Rate Phase-Out Add-Back

Enter the phase-out amount on the *Tax Calculation Schedule*, Line 5 and continue to Line 6.

Use the filing status shown on the front of your return and your Connecticut AGI (*Tax Calculation Schedule*, Line 1) to determine your phase-out level and the additional amount of tax you are required to include in your tax calculation.

Single			Married Filing Jointly or Qualified Widow(er)			Married Filing Separately			Head of Household		
Connecticut AGI		3% Phase-Out	Connecticut AGI		3% Phase-Out	Connecticut AGI		3% Phase-Out	Connecticut AGI		3% Phase-Out
More Than	Less Than or Equal To		More Than	Less Than or Equal To		More Than	Less Than or Equal To		More Than	Less Than or Equal To	
\$ 0	\$ 56,500	\$ 0	\$ 0	\$100,500	\$ 0	\$ 0	\$50,250	\$ 0	\$ 0	\$ 78,500	\$ 0
\$ 56,500	\$ 61,500	\$ 20	\$100,500	\$105,500	\$ 40	\$50,250	\$52,750	\$ 20	\$ 78,500	\$ 82,500	\$ 32
\$ 61,500	\$ 66,500	\$ 40	\$105,500	\$110,500	\$ 80	\$52,750	\$55,250	\$ 40	\$ 82,500	\$ 86,500	\$ 64
\$ 66,500	\$ 71,500	\$ 60	\$110,500	\$115,500	\$120	\$55,250	\$57,750	\$ 60	\$ 86,500	\$ 90,500	\$ 96
\$ 71,500	\$ 76,500	\$ 80	\$115,500	\$120,500	\$160	\$57,750	\$60,250	\$ 80	\$ 90,500	\$ 94,500	\$128
\$ 76,500	\$ 81,500	\$100	\$120,500	\$125,500	\$200	\$60,250	\$62,750	\$100	\$ 94,500	\$ 98,500	\$160
\$ 81,500	\$ 86,500	\$120	\$125,500	\$130,500	\$240	\$62,750	\$65,250	\$120	\$ 98,500	\$102,500	\$192
\$ 86,500	\$ 91,500	\$140	\$130,500	\$135,500	\$280	\$65,250	\$67,750	\$140	\$102,500	\$106,500	\$224
\$ 91,500	\$ 96,500	\$160	\$135,500	\$140,500	\$320	\$67,750	\$70,250	\$160	\$106,500	\$110,500	\$256
\$ 96,500	\$101,500	\$180	\$140,500	\$145,500	\$360	\$70,250	\$72,750	\$180	\$110,500	\$114,500	\$288
\$101,500	and up	\$200	\$145,500	and up	\$400	\$72,750	and up	\$200	\$114,500	and up	\$320



Calculate your tax instantly online using the Connecticut 2018 Income Tax Calculator. Visit the DRS website at portal.ct.gov/DRS and select For Individuals.

Table D - Tax Recapture

Enter the recapture amount on the *Tax Calculation Schedule*, Line 6 and continue to Line 7.

Use the filing status shown on the front of your return and your Connecticut AGI (*Tax Calculation Schedule*, Line 1) to determine your recapture amount.

Single or Married Filing Separately			Married Filing Jointly or Qualified Widow(er)			Head of Household		
Connecticut AGI		Recapture Amount	Connecticut AGI		Recapture Amount	Connecticut AGI		Recapture Amount
More Than	Less Than or Equal To		More Than	Less Than or Equal To		More Than	Less Than or Equal To	
\$ 0	\$200,000	\$ 0	\$ 0	\$400,000	\$ 0	\$ 0	\$320,000	\$ 0
\$200,000	\$205,000	\$ 90	\$400,000	\$410,000	\$ 180	\$320,000	\$328,000	\$ 140
\$205,000	\$210,000	\$ 180	\$410,000	\$420,000	\$ 360	\$328,000	\$336,000	\$ 280
\$210,000	\$215,000	\$ 270	\$420,000	\$430,000	\$ 540	\$336,000	\$344,000	\$ 420
\$215,000	\$220,000	\$ 360	\$430,000	\$440,000	\$ 720	\$344,000	\$352,000	\$ 560
\$220,000	\$225,000	\$ 450	\$440,000	\$450,000	\$ 900	\$352,000	\$360,000	\$ 700
\$225,000	\$230,000	\$ 540	\$450,000	\$460,000	\$1,080	\$360,000	\$368,000	\$ 840
\$230,000	\$235,000	\$ 630	\$460,000	\$470,000	\$1,260	\$368,000	\$376,000	\$ 980
\$235,000	\$240,000	\$ 720	\$470,000	\$480,000	\$1,440	\$376,000	\$384,000	\$1,120
\$240,000	\$245,000	\$ 810	\$480,000	\$490,000	\$1,620	\$384,000	\$392,000	\$1,260
\$245,000	\$250,000	\$ 900	\$490,000	\$500,000	\$1,800	\$392,000	\$400,000	\$1,400
\$250,000	\$255,000	\$ 990	\$500,000	\$510,000	\$1,980	\$400,000	\$408,000	\$1,540
\$255,000	\$260,000	\$1,080	\$510,000	\$520,000	\$2,160	\$408,000	\$416,000	\$1,680
\$260,000	\$265,000	\$1,170	\$520,000	\$530,000	\$2,340	\$416,000	\$424,000	\$1,820
\$265,000	\$270,000	\$1,260	\$530,000	\$540,000	\$2,520	\$424,000	\$432,000	\$1,960
\$270,000	\$275,000	\$1,350	\$540,000	\$550,000	\$2,700	\$432,000	\$440,000	\$2,100
\$275,000	\$280,000	\$1,440	\$550,000	\$560,000	\$2,880	\$440,000	\$448,000	\$2,240
\$280,000	\$285,000	\$1,530	\$560,000	\$570,000	\$3,060	\$448,000	\$456,000	\$2,380
\$285,000	\$290,000	\$1,620	\$570,000	\$580,000	\$3,240	\$456,000	\$464,000	\$2,520
\$290,000	\$295,000	\$1,710	\$580,000	\$590,000	\$3,420	\$464,000	\$472,000	\$2,660
\$295,000	\$300,000	\$1,800	\$590,000	\$600,000	\$3,600	\$472,000	\$480,000	\$2,800
\$300,000	\$305,000	\$1,890	\$600,000	\$610,000	\$3,780	\$480,000	\$488,000	\$2,940
\$305,000	\$310,000	\$1,980	\$610,000	\$620,000	\$3,960	\$488,000	\$496,000	\$3,080
\$310,000	\$315,000	\$2,070	\$620,000	\$630,000	\$4,140	\$496,000	\$504,000	\$3,220
\$315,000	\$320,000	\$2,160	\$630,000	\$640,000	\$4,320	\$504,000	\$512,000	\$3,360
\$320,000	\$325,000	\$2,250	\$640,000	\$650,000	\$4,500	\$512,000	\$520,000	\$3,500
\$325,000	\$330,000	\$2,340	\$650,000	\$660,000	\$4,680	\$520,000	\$528,000	\$3,640
\$330,000	\$335,000	\$2,430	\$660,000	\$670,000	\$4,860	\$528,000	\$536,000	\$3,780
\$335,000	\$340,000	\$2,520	\$670,000	\$680,000	\$5,040	\$536,000	\$544,000	\$3,920
\$340,000	\$345,000	\$2,610	\$680,000	\$690,000	\$5,220	\$544,000	\$552,000	\$4,060
\$345,000	\$500,000	\$2,700	\$690,000	\$1,000,000	\$5,400	\$552,000	\$800,000	\$4,200
\$500,000	\$505,000	\$2,750	\$1,000,000	\$1,010,000	\$5,500	\$800,000	\$808,000	\$4,280
\$505,000	\$510,000	\$2,800	\$1,010,000	\$1,020,000	\$5,600	\$808,000	\$816,000	\$4,360
\$510,000	\$515,000	\$2,850	\$1,020,000	\$1,030,000	\$5,700	\$816,000	\$824,000	\$4,440
\$515,000	\$520,000	\$2,900	\$1,030,000	\$1,040,000	\$5,800	\$824,000	\$832,000	\$4,520
\$520,000	\$525,000	\$2,950	\$1,040,000	\$1,050,000	\$5,900	\$832,000	\$840,000	\$4,600
\$525,000	\$530,000	\$3,000	\$1,050,000	\$1,060,000	\$6,000	\$840,000	\$848,000	\$4,680
\$530,000	\$535,000	\$3,050	\$1,060,000	\$1,070,000	\$6,100	\$848,000	\$856,000	\$4,760
\$535,000	\$540,000	\$3,100	\$1,070,000	\$1,080,000	\$6,200	\$856,000	\$864,000	\$4,840
\$540,000	and up	\$3,150	\$1,080,000	and up	\$6,300	\$864,000	and up	\$4,920

Table E - Personal Tax Credits

Enter the decimal amount on the *Tax Calculation Schedule*, Line 8 and continue to Line 9.

Use the filing status shown on the front of your return and your Connecticut AGI (*Tax Calculation Schedule*, Line 1) to determine your personal credit decimal amount.

Single			Married Filing Jointly or Qualified Widow(er)			Married Filing Separately			Head of Household		
Connecticut AGI		Decimal Amount	Connecticut AGI		Decimal Amount	Connecticut AGI		Decimal Amount	Connecticut AGI		Decimal Amount
More Than	Less Than or Equal To		More Than	Less Than or Equal To		More Than	Less Than or Equal To		More Than	Less Than or Equal To	
\$15,000	\$18,800	.75	\$24,000	\$30,000	.75	\$12,000	\$15,000	.75	\$19,000	\$24,000	.75
\$18,800	\$19,300	.70	\$30,000	\$30,500	.70	\$15,000	\$15,500	.70	\$24,000	\$24,500	.70
\$19,300	\$19,800	.65	\$30,500	\$31,000	.65	\$15,500	\$16,000	.65	\$24,500	\$25,000	.65
\$19,800	\$20,300	.60	\$31,000	\$31,500	.60	\$16,000	\$16,500	.60	\$25,000	\$25,500	.60
\$20,300	\$20,800	.55	\$31,500	\$32,000	.55	\$16,500	\$17,000	.55	\$25,500	\$26,000	.55
\$20,800	\$21,300	.50	\$32,000	\$32,500	.50	\$17,000	\$17,500	.50	\$26,000	\$26,500	.50
\$21,300	\$21,800	.45	\$32,500	\$33,000	.45	\$17,500	\$18,000	.45	\$26,500	\$27,000	.45
\$21,800	\$22,300	.40	\$33,000	\$33,500	.40	\$18,000	\$18,500	.40	\$27,000	\$27,500	.40
\$22,300	\$25,000	.35	\$33,500	\$40,000	.35	\$18,500	\$20,000	.35	\$27,500	\$34,000	.35
\$25,000	\$25,500	.30	\$40,000	\$40,500	.30	\$20,000	\$20,500	.30	\$34,000	\$34,500	.30
\$25,500	\$26,000	.25	\$40,500	\$41,000	.25	\$20,500	\$21,000	.25	\$34,500	\$35,000	.25
\$26,000	\$26,500	.20	\$41,000	\$41,500	.20	\$21,000	\$21,500	.20	\$35,000	\$35,500	.20
\$26,500	\$31,300	.15	\$41,500	\$50,000	.15	\$21,500	\$25,000	.15	\$35,500	\$44,000	.15
\$31,300	\$31,800	.14	\$50,000	\$50,500	.14	\$25,000	\$25,500	.14	\$44,000	\$44,500	.14
\$31,800	\$32,300	.13	\$50,500	\$51,000	.13	\$25,500	\$26,000	.13	\$44,500	\$45,000	.13
\$32,300	\$32,800	.12	\$51,000	\$51,500	.12	\$26,000	\$26,500	.12	\$45,000	\$45,500	.12
\$32,800	\$33,300	.11	\$51,500	\$52,000	.11	\$26,500	\$27,000	.11	\$45,500	\$46,000	.11
\$33,300	\$60,000	.10	\$52,000	\$96,000	.10	\$27,000	\$48,000	.10	\$46,000	\$74,000	.10
\$60,000	\$60,500	.09	\$96,000	\$96,500	.09	\$48,000	\$48,500	.09	\$74,000	\$74,500	.09
\$60,500	\$61,000	.08	\$96,500	\$97,000	.08	\$48,500	\$49,000	.08	\$74,500	\$75,000	.08
\$61,000	\$61,500	.07	\$97,000	\$97,500	.07	\$49,000	\$49,500	.07	\$75,000	\$75,500	.07
\$61,500	\$62,000	.06	\$97,500	\$98,000	.06	\$49,500	\$50,000	.06	\$75,500	\$76,000	.06
\$62,000	\$62,500	.05	\$98,000	\$98,500	.05	\$50,000	\$50,500	.05	\$76,000	\$76,500	.05
\$62,500	\$63,000	.04	\$98,500	\$99,000	.04	\$50,500	\$51,000	.04	\$76,500	\$77,000	.04
\$63,000	\$63,500	.03	\$99,000	\$99,500	.03	\$51,000	\$51,500	.03	\$77,000	\$77,500	.03
\$63,500	\$64,000	.02	\$99,500	\$100,000	.02	\$51,500	\$52,000	.02	\$77,500	\$78,000	.02
\$64,000	\$64,500	.01	\$100,000	\$100,500	.01	\$52,000	\$52,500	.01	\$78,000	\$78,500	.01
\$64,500	and up	.00	\$100,500	and up	.00	\$52,500	and up	.00	\$78,500	and up	.00

TAXPAYER SERVICE CENTER (TSC)

Most Connecticut taxpayers can electronically file through the DRS electronic Taxpayer Service Center (*TSC-IND*). The *TSC-IND* allows you to:

- **File your Connecticut resident income tax return, including:**
 - **Your Connecticut Earned Income Tax Credit (CT EITC);**
 - **Your Schedule CT-PE; and**
 - **Your Schedule CT-CHET;**
- **File a Connecticut extension of time to file request; and**
- **Make online payments of estimated tax or income tax bills.**

In addition, the *TSC-IND* has expanded options including the ability to:

- File Connecticut nonresident and part-year resident returns;
- Check the status of your income tax refund;
- View account period details;
- View returns filed in the *TSC*;
- View/cancel scheduled payments made in the *TSC*; **and**
- View processed payments.










Visit portal.ct.gov/TSC to learn more about free filing options.



**File returns, pay amounts due, and
 choose to direct deposit refunds electronically
 using the TSC.**

It's fast and free!

Tax Information		Forms and Publications	
Internet	Find important information for Individual and Business filers, and all of the latest DRS news including new legislation, policies and press releases on the DRS website at portal.ct.gov/DRS	View, download, and print all Connecticut forms and publications by visiting the DRS website at portal.ct.gov/DRS	Internet
			
	DRS Website		
Email	Send routine tax questions to drs@po.state.ct.us (do not send account-related inquiries). For account-related questions, including bill and refund inquiries, use the Secure Mailbox feature by logging into the TSC .	Email requests, including your name, address (street, city, state, and ZIP code), and the name or number of the tax product to ctforms.drs@po.state.ct.us	Email
			
	DRS Email	DRS Forms Email	
Phone	For telephone assistance, call the Department of Revenue Services (DRS) at 800-382-9463 (Connecticut calls outside the Greater Hartford calling area only); or 860-297-5962 (from anywhere).	For forms and publications, call 800-382-9463 (Connecticut calls outside the Greater Hartford calling area only) and select Option 2 ; or 860-297-4753 (from anywhere).	Phone
	 		
	860-297-5962 800-382-9463	860-297-4753	
Walk-In	Free personal taxpayer assistance and forms are available by visiting our offices. Walk-in assistance at all DRS locations is available Monday through Friday, 8:30 a.m. to 4:30 p.m. (arrive by 4:00 p.m.). Directions to DRS offices are available using the DRS phone menu or by visiting the DRS website. If you require special accommodations, please advise the DRS representative. All calls are answered at our main office in Hartford, not at the field offices.		Walk-In
	Bridgeport 10 Middle St	Hartford 450 Columbus Blvd	Norwich 401 West Thames St Building 700
			Waterbury 55 West Main St Suite 100
			 Directions
Federal Tax Information		Statewide Services	
For questions about federal taxes , visit www.irs.gov or call the Internal Revenue Service (IRS) at 800-829-1040. To order federal tax forms , call 800-829-3676.		Visit the <i>Official State of Connecticut Website</i> at portal.ct.gov for information on statewide services and programs.	
