

# Form CT-1041 Schedule I

# 2007

(Rev. 01/08)

## Connecticut Alternative Minimum Tax Computation of Trusts or Estates

Any trust or estate subject to and required to pay federal alternative minimum tax must complete and attach this schedule to Form CT-1041. Complete this form in blue or black ink only.

Name of Trust or Estate	Federal Employer Identification Number (FEIN) ____-____-____
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### Part I - Computation of Connecticut Alternative Minimum Tax for Trusts and Estates

1. Fiduciary's share of federal alternative minimum taxable income from federal Form 1041, Schedule I, Line 29. See instructions.	1		00
2. Enter the Connecticut modifications attributable to fiduciary. See instructions.	2		00
3. Combine Line 1 and Line 2.	3		00
4. Enter the sum of the fiduciary's share of Connecticut income tax and tax-exempt interest from private activity bonds. See instructions.	4		00
5. Tentative adjusted federal alternative minimum taxable income of fiduciary: Subtract Line 4 from Line 3.	5		00

**Complete Lines 5a through 5d if you are a full-year resident or part-year resident inter vivos trust with one or more nonresident, noncontingent beneficiaries. All others go to Line 5e and enter the amount from Line 5 above.**

5a. The amount of Connecticut income included in Line 5 above: See instructions.	5a		00
5b. Enter the amount from non-Connecticut sources. See instructions.	5b		00
5c. Percentage of nonresident, noncontingent beneficiaries: Divide the number on Schedule CT-1041B, Part 2, Line 2, by the number on Schedule CT-1041B, Part 2, Line 3. Enter the decimal here. Round to 4 decimal places.	5c	.	
5d. Multiply Line 5b by Line 5c.	5d		00
5e. Adjusted federal alternative minimum taxable income: See instructions.	5e		00
6. Exemption amount	6	\$22,500	00
7. Phaseout of exemption amount	7	\$75,000	00
8. Subtract Line 7 from Line 5e. If zero or less, enter "0."	8		00
9. Multiply Line 8 by 25% (.25).	9		00
10. Exemption: Subtract Line 9 from Line 6. If zero or less, enter "0."	10		00
11. Subtract Line 10 from Line 5e. If zero or less, enter "0" here and on Line 23 and skip Lines 12 through 22.	11		00
12. If you completed Part IV of federal Form 1041, Schedule I, complete Part II of this schedule and enter the amount from Line 43 here. However, if Lines 2 and 4 are zero, enter the amount from federal Form 1041, Schedule I, Line 76, here and skip Form CT-1041, Schedule I, Part II. All others: If Line 11 is \$175,000 or less, multiply Line 11 by 26% (.26). Otherwise, multiply Line 11 by 28% (.28) and subtract \$3,500 from the result.	12		00
13. Alternative minimum tax foreign tax credit from federal Form 1041, Schedule I, Line 53.	13		00
14. Adjusted federal tentative minimum tax: Subtract Line 13 from Line 12.	14		00
15. Multiply Line 14 by 19% (.19).	15		00
16. Multiply Line 5e by 5.5% (.055).	16		00
17. Connecticut minimum tax: Enter the lesser of Line 15 or Line 16.	17		00
18. Apportionment factor: Connecticut residents, enter 1.0000; nonresidents and part-year residents, see instructions.	18	.	
19. Apportioned Connecticut minimum tax: Multiply Line 17 by Line 18.	19		00
20. Connecticut income tax from Form CT-1041, Line 2 or Line 3.	20		00
21. Net Connecticut minimum tax: Subtract Line 20 from Line 19. If zero or less, enter "0."	21		00
22. Credit for alternative minimum tax paid to qualifying jurisdictions for <b>full-year and part-year Connecticut residents only</b> from Part III, Line 52, on the back of this schedule.	22		00
23. Connecticut alternative minimum tax: Subtract Line 22 from Line 21; if zero or less, enter "0." Enter the amount here and on Form CT-1041, Line 6.	23		00

**Part II**

24. Enter the amount from Line 11.			24		00
25. Enter the amount from federal Form 1041, Schedule I, Line 58. See instructions.	25		00		
26. Enter the amount from federal Form 1041, Schedule I, Line 59. See instructions.	26		00		
27. Enter the amount from federal Form 1041, Schedule I, Line 60. See instructions.	27		00		
28. Enter the smaller of Line 24 or Line 27.			28		00
29. Subtract Line 28 from Line 24.			29		00
30. If Line 29 is \$175,000 or less, multiply Line 29 by 26% (.26). Otherwise, multiply Line 29 by 28% (.28) and subtract \$3,500 from the result.			30		00
31. Maximum amount subject to the 5% (.05) rate is \$2,150.	31	\$2,150	00		
32. Enter the amount from federal Form 1041, Schedule I, Line 65. See instructions.	32		00		
33. Subtract Line 32 from Line 31. If zero or less, enter zero.	33		00		
34. Enter the smaller of Line 24 or Line 25.	34		00		
35. Enter the smaller of Line 33 or Line 34.	35		00		
36. Multiply Line 35 by 5% (.05).			36		00
37. Subtract Line 35 from Line 34.	37		00		
38. Multiply Line 37 by 15% (.15).			38		00
<b>If Line 26 is zero or blank, skip Lines 39 and 40 and go to Line 41. Otherwise, go to Line 39.</b>					
39. Subtract Line 34 from Line 28.	39		00		
40. Multiply Line 39 by 25% (.25).			40		00
41. Add Lines 30, 36, 38, and 40.			41		00
42. If Line 24 is \$175,000 or less, multiply Line 24 by 26% (.26). Otherwise, multiply Line 24 by 28% (.28) and subtract \$3,500 from the result.			42		00
43. Enter the smaller of Line 41 or Line 42 here and on Line 12.			43		00

**Part III - Credit for Alternative Minimum Tax Paid to Qualifying Jurisdictions**

You must attach a copy of your return filed with the qualifying jurisdiction(s) or your credit will be disallowed.

44. Modified adjusted federal alternative minimum taxable income: See instructions.	44		00
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For each column, enter the following:

		Column A		Column B	
		Name	Code	Name	Code
45. Enter qualifying jurisdiction's name and two-letter code. See below.	45				
46. Enter the non-Connecticut adjusted federal alternative minimum taxable income included on Line 44 which is subject to a qualifying jurisdiction's alternative minimum tax.	46		00		00
47. Divide Line 46 by Line 44. Round to four decimal places.	47	.		.	
48. Enter the Net Connecticut Minimum Tax from Line 21 on the front of this schedule. Part-year residents, see instructions.	48		00		00
49. Multiply Line 47 by Line 48.	49		00		00
50. Alternative minimum tax paid to a qualifying jurisdiction: See instructions.	50		00		00
51. Enter the lesser of Line 49 or Line 50.	51		00		00
52. <b>Total Credit</b> Add Line 51, all columns. Enter amount here and on Line 22 on the front of this schedule.	52				00

If you claim credit for alternative minimum tax paid to another state of the United States, a political subdivision within another state, or the District of Columbia, enter the appropriate two-letter code.

**Standard Two-Letter Codes**

California ..... CA	Iowa ..... IA	Minnesota ..... MN	New York ..... NY	Wisconsin ..... WI
Colorado ..... CO	Maine ..... ME	Nebraska ..... NE	West Virginia ... WV	All others ..... OO

## Line Instructions for Form CT-1041, Schedule I

**Purpose:** Trusts or estates subject to and required to pay the federal alternative minimum tax are subject to the Connecticut alternative minimum tax. Use this schedule to calculate the trust's or estate's Connecticut alternative minimum tax liability and attach it to **Form CT-1041, Connecticut Income Tax Return for Trusts and Estates**.

Where the calculation of any individual federal item is subject to limitations, such as an alternative tax net operating loss deduction, that item may have to be recalculated if Connecticut modifications apply.

### Part I

#### Line 1 - Fiduciary's Share of Federal Alternative Minimum Taxable Income

Enter the fiduciary's share of federal alternative minimum taxable income from federal Form 1041, Schedule I, Line 29. The fiduciary of a part-year resident trust must also include or exclude any tax preference items and adjustments attributable to a future year which accrued up to the time of a change in residence. If the amount on Line 1 is \$22,500 or less, **do not** complete this schedule; you are not liable for either federal or Connecticut alternative minimum tax.

#### Line 2 - Connecticut Modifications Attributable to Fiduciary

Enter the Connecticut modifications attributable to the fiduciary. Generally, this figure may be obtained from Schedule CT-1041B, Part I, Line e, Column 5 (the fiduciary adjustment). This amount can be a positive or negative number. **Do not** include amounts already included on Line 1.

Do not include the fiduciary's share of any amount that relates to 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, that was included on Form CT-1041, *Schedule A*, Line 5.

#### Line 4

Enter the fiduciary's share of the amount of federally tax-exempt interest or exempt-interest dividends, as defined in I.R.C. §852(b)(f), from private activity bonds issued after August 7, 1986, and included on federal Form 1041, Schedule I, Part I, Line 8.

#### Line 5 - Tentative Adjusted Federal Alternative Minimum Taxable Income of Fiduciary

Subtract Line 4 from Line 3 and enter the result.

**Lines 5a through 5d should be completed by full-year or part-year resident inter vivos trusts with one or more nonresident noncontingent beneficiaries. All others, go to Line 5e and enter the amount from Line 5.**

**5a.** Enter the amount from Line 5 that is from Connecticut sources.

**Full-Year Resident Trusts:** Enter the amount from Schedule CT-1041C, Line 9, **plus** any Connecticut-sourced exclusions and deferral items from federal Form 1041, Schedule I, Part I.

**Part-Year Resident Trusts:** Enter the amount from Schedule CT-1041FA, Line 4, **plus** any Connecticut-sourced exclusions and deferral items from federal Form 1041, Schedule I, Part I, during the residency portion of the taxable year.

**5b. Full-Year Resident Trusts:** Subtract Line 5a from Line 5. This equals the non-Connecticut-sourced income for full-year resident trusts.

**Part-Year Resident Trusts:** Enter the amount from Line 5 above from non-Connecticut sources during the residency portion of the taxable year.

Generally, this would include the amount from Schedule CT-1041FA, Part I, Line 6, **plus** any deferral items and exclusion items from non-Connecticut sources during the residency portion of the taxable year included on federal Form 1041 Schedule I, Part I. In addition, include any of the appropriate modifications to Connecticut income in determining the tentative adjusted federal alternative minimum taxable income for the fiduciary, such as private activity bonds.

**5c.** Percentage of nonresident noncontingent beneficiaries.

a. Enter the amount from Schedule CT-1041B, Part 2, Line 2.	
b. Enter the amount from Schedule CT-1041B, Part 2, Line 3.	
c. Divide Line a by Line b and enter as a decimal (round to four places) on Form CT-1041, Schedule I, Line 5c.	•

**5d.** Multiply Line 5b by Line 5c and enter the result.

**5e.** Adjusted federal alternative minimum taxable income of fiduciary.

Resident and part-year resident inter vivos trusts with one or more nonresident, noncontingent beneficiaries subtract Line 5d from Line 5 and enter the result. **All others enter the amount from Line 5.**

#### Line 18 - Apportionment Factor

**Resident Trusts and Estates:** Enter 1.0000.

**Nonresident Trusts and Estates and Part-Year Resident Trusts:** Determine the amount of Line 5e derived from or connected with Connecticut sources. Then divide the Connecticut-sourced portion of Line 5e by the **total** on Line 5e and enter the result. Round to four decimal places.

### Part II

If you completed Part IV of federal Form 1041, Schedule I, complete this part and enter on Line 12 the amount from Form CT-1041, Schedule I, Line 43.

#### Lines 25, 26, 27, and 32

When entering an amount on Lines 25, 26, 27, and 32, include the Form CT-1041, *Schedule A*, modification for the gain or loss on the sale of Connecticut state and local government bonds, from Form CT-1041, *Schedule A*, Line 3 or Line 9.

### Part III

Form CT-1041, Schedule I, Part III, may be used by Connecticut resident trusts and estates and part-year resident trusts only.

**Resident Trusts and Estates:** Use Form CT-1041, Schedule I, Part III, to claim a credit against the net Connecticut minimum tax liability for alternative minimum tax paid during the taxable year to a qualifying jurisdiction.

**Part-Year Resident Trusts:** Use Form CT-1041, Schedule I, Part III, to claim a credit against the net Connecticut minimum tax liability for alternative minimum tax paid to a qualifying

jurisdiction for the residency portion of the taxable year on items of income, gain, loss, or deduction attributable to that jurisdiction during the period of Connecticut residency.

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).

No credit is allowed for **any** of the following:

- Alternative minimum tax paid to a jurisdiction that is not a qualifying jurisdiction;
- Alternative minimum tax paid to a qualifying jurisdiction if you claimed credit for alternative minimum tax paid to Connecticut on that qualifying jurisdiction's alternative minimum tax return or income tax return; **or**
- Payments of alternative minimum tax made to a qualifying jurisdiction on income not subject to the Connecticut alternative minimum tax.

The allowed credit must be computed separately for each qualifying jurisdiction. Use separate columns for each qualifying jurisdiction for which you are claiming a credit. You **must** attach a copy of all alternative minimum tax returns filed with qualifying jurisdictions directly following Form CT-1041, Schedule I.

Form CT-1041, Schedule I, Part III, provides two columns, A and B, to compute the credit for two qualifying jurisdictions. If you need more than two columns, create a worksheet identical to Schedule I, Part III, and attach it to the back of your Form CT-1041, Schedule I.

If you are claiming credit for alternative minimum tax paid to a qualifying jurisdiction **and** to one of its political subdivisions, follow these rules to determine your credit:

- A. If the **same amount** of adjusted alternative minimum taxable income is taxed by both the city and the state:
1. Use only **one** column of Form CT-1041, Schedule I, Part III, to calculate your credit;
  2. Enter the same amount of adjusted alternative minimum taxable income taxed by both the city and the state in that column on Form CT-1041, Schedule I, Part III; **and**
  3. Combine the amounts of alternative minimum tax paid to the city and the state and enter the total on Line 50 of that column.
- B. If the **amounts** of adjusted alternative minimum taxable income taxed by both the city and the state **are not the same**:
1. Use **two** columns on Form CT-1041, Schedule I, Part III;
  2. Include only the same amount of adjusted alternative minimum taxable income taxed by both jurisdictions in the first column; **and**
  3. Include the excess amount of adjusted alternative minimum taxable income taxed by only one of the jurisdictions in the next column.

#### **Line 44 - Modified Adjusted Federal Alternative Minimum Taxable Income**

**Resident Trusts and Estates:** Enter the amount of adjusted federal alternative minimum taxable income from Form CT-1041, Schedule I, Part I, Line 5e. However, if this amount includes a net loss derived from or connected with sources in more than one qualifying jurisdiction, the taxpayer must add

the net loss to the amount of adjusted federal alternative minimum taxable income from Line 5e and enter the result.

**Part-Year Resident Trusts:** Enter the amount of adjusted federal alternative minimum taxable income from Form CT-1041, Schedule I, Part I, Line 5e, attributable to the residency portion of the taxable year. However, if a part-year resident trust's adjusted federal alternative minimum taxable income includes a net loss derived from or connected with sources in more than one qualifying jurisdiction, the taxpayer must add the net loss to the amount of adjusted federal alternative minimum taxable income from Line 5e attributable to the residency portion of the taxable year and enter the result.

#### **Line 45 - Qualifying Jurisdiction(s)**

Enter the name and two letter code of each qualifying jurisdiction to which you paid alternative minimum tax for which you are claiming credit. These codes are found below Form CT-1041, Schedule I, Part III.

#### **Line 46 - Non-Connecticut Adjusted Federal Alternative Minimum Taxable Income**

Enter the amount of the non-Connecticut adjusted federal alternative minimum taxable income included on Line 44 subject to a qualifying jurisdiction's alternative minimum tax.

#### **Line 47**

Divide the amount on Line 46 by the amount on Line 44. The result may not exceed 1.0000. Round to four decimal places.

#### **Line 48 - Net Connecticut Minimum Tax**

**Resident Trusts and Estates:** Enter the amount from Form CT-1041, Schedule I, Line 21.

**Part-Year Resident Trusts:** Enter the portion of the 2007 net Connecticut minimum tax liability attributable to the residency portion of the taxable year.

#### **Line 50 - Alternative Minimum Tax Paid to Qualifying Jurisdiction**

**Resident Trusts and Estates:** Enter the total amount of alternative minimum tax paid to a qualifying jurisdiction.

**Part-Year Resident Trusts:** Enter the amount of alternative minimum tax paid to a qualifying jurisdiction on items of income, gain, loss, or deduction derived from or connected with sources in that jurisdiction during the residency portion of the taxable year.

If the alternative minimum tax paid to that jurisdiction was also based on income earned during the nonresidency portion of the taxable year, you must prorate the amount of tax for which you are claiming credit. The proration is based upon the relationship that the income earned in that jurisdiction during the period of Connecticut residency bears to the total amount of income that the trust earned in that jurisdiction in the taxable year.

**Alternative minimum tax paid** means the lesser of the tax liability to that jurisdiction or the tax paid to that jurisdiction, excluding penalties and interest.

#### **Line 52 - Total Credit**

Add the amounts from Line 51A, Line 51B, and Line 51 of any additional worksheets. The amount on Line 52 cannot exceed Line 49. Enter the total on Line 52 and Line 22.

Attach a copy of the alternative minimum tax return filed with each qualifying jurisdiction to the back of your Form CT-1041, Schedule I.