

## Schedule CT K-1 Member's Share of Certain Connecticut Items

# 2012

For calendar year 2012 or other taxable year beginning \_\_\_\_\_, 2012, and ending \_\_\_\_\_, 20\_\_\_\_.

Complete in blue or black ink only.

Pass-through entity (PE) information			Member information		
Federal Employer ID Number (FEIN) ▶	CT Tax Registration Number ▶	Member's Social Security Number (SSN) or FEIN ▶	▶ <input type="checkbox"/> SSN ▶ <input type="checkbox"/> FEIN		
Name ▶			Name ▶		
Number and street address ▶		PO Box	Number and street address ▶		PO Box
City or town ▶	State	ZIP code	City or town ▶	State	ZIP code
Check the box if this is an amended or a final Schedule CT K-1. ▶ <input type="checkbox"/> Amended Schedule CT K-1    ▶ <input type="checkbox"/> Final Schedule CT K-1			<b>Type of member (check one):</b> ▶ <input type="checkbox"/> RI    ▶ <input type="checkbox"/> RE    ▶ <input type="checkbox"/> RT    ▶ <input type="checkbox"/> PE ▶ <input type="checkbox"/> NI    ▶ <input type="checkbox"/> NE    ▶ <input type="checkbox"/> NT    ▶ <input type="checkbox"/> CM		

### Part I - Connecticut Modifications

From Form CT-1065/CT-1120SI, Part V

**Additions** Enter all amounts as positive numbers.

1. Interest on state and local obligations other than Connecticut.....▶	1.		00
2. Mutual fund exempt-interest dividends from non-Connecticut state or municipal government obligations.....▶	2.		00
3. Certain deductions relating to income exempt from Connecticut income tax.....▶	3.		00
4. <i>Reserved for future use</i> .....▶	4.		
5. Other - specify.....▶	5.		00

**Subtractions** Enter all amounts as positive numbers.

6. Interest on U.S. government obligations.....▶	6.		00
7. Exempt dividends from certain qualifying mutual funds derived from U.S. government obligations.▶	7.		00
8. Certain expenses related to income exempt from federal income tax but subject to Connecticut tax..▶	8.		00
9. <i>Reserved for future use</i> .....▶	9.		
10. Other – specify.....▶	10.		00

### Part II - Connecticut-Sourced Portion of Items From Federal Schedule K-1 of Form 1065 or 1120S

**Column A** From Federal Schedule K-1    **Column B** From Form CT-1065/CT-1120SI, Part V

1. Ordinary business income (loss).....	1.		00		00
2. Net rental real estate income (loss).....	2.		00	▶	00
3. Other net rental income (loss).....	3.		00	▶	00
4. Guaranteed payments.....	4.		00	▶	00
5. Interest income.....	5.		00	▶	00
6a. Ordinary dividends.....	6a.		00	▶	00
6b. Qualified dividends.....	6b.		00	▶	00
7. Royalties.....	7.		00	▶	00
8. Net short-term capital gain (loss).....	8.		00	▶	00
9a. Net long-term capital gain (loss).....	9a.		00	▶	00
9b. Collectibles 28% gain (loss).....	9b.		00	▶	00
9c. Unrecaptured section 1250 gain.....	9c.		00	▶	00
10. Net section 1231 gain (loss).....	10.		00	▶	00
11. Other income (loss): Attach statement. ....	11.		00	▶	00
12. Section 179 deduction.....	12.		00	▶	00
13. Other deductions: Attach statement. ....	13.		00	▶	00

### Part III - Connecticut Income Tax Information

1. Member's Connecticut income tax liability as reported by the PE for the member on Form CT-1065/CT-1120SI, Part I, <i>Schedule B</i> , Column F.....▶	1.		00
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**Part IV - Connecticut Income Tax Credit Summary**

		<b>Column A</b>		<b>Column B</b>	
		Total credit earned by member in 2012 (from Form CT-1065/CT-1120SI, Part VII)		Credit allowed on behalf of member on composite return (amounts from worksheet below)	
1. Qualified small business tax credit .....	1.	▶	00	▶	00
2. Job expansion tax credit .....	2.	▶	00	▶	00
3. Angel investor tax credit .....	3.	▶	00	▶	00
4. Insurance reinvestment fund tax credit .....	4.	▶	00	▶	00
5. Total credits: Add Lines 1 through 4. ....	5.		00		00

**Income Tax Credit Worksheet**

Completed for nonresident, noncorporate, and PE members only.		<b>Column A</b> Tax credit limitation	<b>Column B</b> 2012 credit amount earned (enter amounts from Part IV, Column A)	<b>Column C</b> Amount of credit applied to 2012 income tax liability
1. Income tax liability: PE should enter member's amount from Form CT-1065/CT-1120SI, Part I, <i>Schedule B</i> , Column D. ....	1.	00		
2. Qualified small business tax credit: Enter in Column C the lesser of Line 2, Column B, or Line 1, Column A. ....	2.		00	00
3. Balance of income tax liability: Subtract Line 2, Column C from Line 1, Column A. If less than zero, enter "0." ....	3.	00		
4. Job expansion tax credit: Enter in Column C the lesser of Line 4, Column B, or Line 3, Column A. ....	4.		00	00
5. Balance of income tax liability: Subtract Line 4, Column C from Line 3, Column A. If less than zero, enter "0." ....	5.	00		
6. Angel investor tax credit: Enter in Column C the lesser of Line 6, Column B, or Line 5, Column A. ....	6.		00	00
7. Balance of income tax liability: Subtract Line 6, Column C from Line 5, Column A. If less than zero, enter "0." ....	7.	00		
8. Insurance reinvestment fund tax credit: Enter in Column C the lesser of Line 8, Column B, or Line 7, Column A. ....	8.		00	00

# Schedule CT K-1 Instructions

Complete the return in blue or black ink only.

A pass-through entity (PE) must furnish **Schedule CT K-1, Member's Share of Certain Connecticut Items**, to all members.

## General Instructions for PEs

A PE must complete Part I for resident noncorporate members, nonresident noncorporate members, and members that are pass-through entities. A PE must also complete Part II and Part III for nonresident noncorporate members and members that are pass-through entities. Part IV, Column A, should be completed for all members, if applicable.

A PE must furnish Schedule CT K-1 on or before the fifteenth day of the fourth month following the close of the taxable year (April 15 if the PE's taxable year for federal income tax purposes is the calendar year). If the PE requested an extension of time to file **Form CT-1065/CT-1120SI, Connecticut Composite Income Tax Return**, by timely filing **Form CT-1065/CT-1120SI EXT, Application for Extension of Time to File Connecticut Composite Income Tax Return**, the deadline for furnishing Schedule CT K-1 to members is automatically extended to the fifteenth day of the ninth month following the close of the taxable year (September 15 if the PE's taxable year for federal income tax purposes is the calendar year).

Copies of all Schedule CT K-1s issued by a PE must be filed with Department of Revenue Services (DRS). Do not file Schedule CT K-1s with the composite income tax return. Schedule CT K-1s should be attached to **Form CT K-1T, Transmittal of Schedule CT K-1, Member's Share of Certain Connecticut Items**, and sent separately to DRS. **Do not** file Form CT K-1T and Schedule CT K-1s if Form CT-1065/CT-1120SI was electronically filed with DRS. See *Form CT K-1T Instructions*.

Income tax credits that may be claimed by the member of the PE are reported on Schedule CT K-1, Part IV. See **Special Notice 2010(3), 2010 Legislative Changes Affecting the Income Tax** and **Special Notice 2012(6), 2012 Legislative Changes Affecting the Income Tax**.

## Specific Instructions for Schedule CT K-1

Complete the member information section, including the member's Social Security Number (SSN) or Federal Employer Identification Number (FEIN). Check the box to indicate if the number is an SSN or FEIN.

### Part I - Connecticut Modifications

Transfer entries for that member from Form CT-1065/CT-1120SI, Part V, Lines 1 through 10.

### Part II - Connecticut-Sourced Portion of Items From Federal Schedule K-1 of Form 1065 or 1120S

**Column A:** Transfer the amount attributable to each member from Federal Form 1065, Schedule K-1, Lines 1 through 13 or Federal Form 1120S, Schedule K-1, Lines 1 through 12.

**Column B:** Transfer the Connecticut-sourced amounts attributable to each member from Form CT-1065/CT-1120SI, Part VI, Lines 1 through 13.

### Part III - Connecticut Income Tax Information

#### Line 1

Transfer the amount of Connecticut income tax liability reported by the PE for that member from Form CT-1065/CT-1120SI, Part I, *Schedule B*, Column F.

## Part IV - Connecticut Income Tax Credit Summary

### Lines 1 through 4

**Column A:** Transfer the member's allocable gross amount of each type of income tax credit from Form CT-1065/CT-1120SI, Part VII. Resident noncorporate members and nonresident noncorporate members filing Forms CT-1040, CT-1040NR/PY, or CT-1041, must file **Schedule CT-IT Credit, Income Tax Credit Summary**. Column A is used to calculate the amount of the credit allowed on the respective returns, and also when completing Schedule CT-IT Credit, Part II.

**Column B:** Complete the Income Tax Credit Worksheet on Page 2 before completing this column. This column should be completed for nonresident noncorporate members and PE members only. Transfer the amount(s) of credit allowed on behalf of the member from Column C of the Income Tax Credit Worksheet.

**Line 5, Column B:** The total credit is transferred to Form CT-1065/CT-1120SI, Part I, *Schedule B*, Column E for each member.

## Specific Instructions for Income Tax Credit Worksheet

This worksheet should be completed **only** for nonresident, noncorporate members, and members that are PEs.

### Tax Credits Without Carryforward Provisions

The qualified small business job creation tax credit and the job expansion tax credit, which have no carryforward provision, are applied first.

### Tax Credits With Limited Carryforward Provisions

If an income tax liability remains after the application of the credits without a carryforward provision, the angel investor tax credit and the insurance reinvestment fund tax credit are applied. Any angel investor tax credit or insurance reinvestment fund tax credit balance that remains after applying the tax credit to the current year income tax liability may be carried forward if the period for claiming the tax credit has not expired. However, the composite income tax return Form CT-1065/CT-1120SI and Schedule CT K-1 does not compute nor report each member's credit carryforward information. A nonresident, noncorporate member may elect to file a Connecticut income tax return and Schedule CT-IT Credit to properly calculate the amount of income tax credit carryforward, if any.

## Income Tax Credit Worksheet

### Line 1: Income Tax Liability

**Column A:** Enter the 2012 income tax liability for the member from Form CT-1065/CT-1120SI, Part I, *Schedule B*, Column D.

### Line 2: Qualified Small Business Tax Credit

**Column B:** Enter the amount of qualified small business job creation tax credit earned from Part IV, Column A.

**Column C:** Enter the amount applied to the member's 2012 income tax liability. Enter the lesser of Line 2, Column B, or Line 1, Column A.

### Line 3: Balance of Income Tax Liability

Subtract Line 2, Column C, from Line 1, Column A. If less than zero, enter "0."

### Line 4: Job Expansion Tax Credit

**Column B:** Enter the amount of job expansion tax credit earned from Part IV, Column A.

**Column C:** Enter the amount applied to the member's 2012 income tax liability. Enter the lesser of Line 4, Column B, or Line 3, Column A.

### Line 5: Balance of Income Tax Liability

Subtract Line 4, Column C from Line 3, Column A. If less than zero, enter "0."

### Line 6: Angel Investor Tax Credit

**Column B:** Enter the amount of angel investor tax credit earned from Part IV, Column A.

**Column C:** Enter the amount applied to the member's 2012 income tax liability. Enter the lesser of Line 6, Column B, or Line 5, Column A.

### Line 7: Balance of income Tax Liability

Subtract Line 6, Column C from Line 5, Column A. If less than zero, enter "0."

### Line 8: Insurance Reinvestment Fund Tax Credit

**Column B:** Enter the amount of insurance reinvestment fund tax credit earned from Part IV, Column A.

**Column C:** Enter the amount applied to the member's 2012 income tax liability. Enter the lesser of Line 8, Column B, or Line 7, Column A.

## General Instructions for Recipients

Do not attach Schedule CT K-1 to your Connecticut income tax return.

### Recipients That Are Resident Individuals

Enter amounts from Schedule CT K-1, Part I, Lines 1, through 5, on **Form CT-1040**, *Connecticut Resident Income Tax Return, Schedule 1*, Lines 31 through 38. Enter amounts from Schedule CT K-1, Part I, Lines 6 through 10, on Form CT-1040, *Schedule 1*, Lines 40 through 49.

Use the amounts from Schedule CT K-1, Part IV, Column A, to complete Schedule CT-IT Credit, Part I, Column C, where applicable, and Part II, Column D.

Use the Pass-through entity (PE) information on the upper left hand section of Schedule CT K-1 to complete Schedule CT-IT Credit, Part II.

### Recipients That Are Nonresident or Part-Year Resident Individuals

Enter amounts from Schedule CT K-1, Part I, Lines 1 through 5, on **Form CT-1040NR/PY**, *Connecticut Nonresident and Part-Year Resident Income Tax Return*, Lines 33 through 40. Enter amounts from Schedule CT K-1, Part I, Lines 6 through 10, on Form CT-1040NR/PY, Lines 42 through 51.

Enter amounts from Schedule CT K-1, Part II, Lines 1 through 13, on the appropriate lines of Form CT-1040NR/PY, Schedule CT-SI.

Enter the amount from Schedule CT K-1, Part III, Line 1, on Form CT-1040NR/PY, on one of the lines for income tax withheld (Lines 20a through 20g). Also enter the PE's FEIN and the Connecticut-sourced income. Check the box to indicate that the information is from Schedule CT K-1.

Use the amounts from Schedule CT K-1, Part IV, Column A, to complete Schedule CT-IT Credit, Part I, Column C, where applicable, and Part II, Column D.

Use the Pass-through entity (PE) information on the upper left hand section of Schedule CT K-1 to complete Schedule CT-IT Credit, Part II.

### Recipients That Are Nonresident or Part-Year Resident Individuals Are Required to File Form CT-1040NR/PY

- If a member has income derived from or connected with Connecticut sources other than from one or more PEs, the member **is required to file** Form CT-1040NR/PY.

- If a member's only income derived from or connected with Connecticut sources is from one or more PEs, but at least one of the PEs is not required to make a Connecticut income tax payment on the member's behalf because the member's share of that PE's income derived from or connected with Connecticut sources is less than \$1,000, the member **is required to file** Form CT-1040NR/PY if the sum of the member's income from all PEs is \$1,000 or more. If the sum is less than \$1,000, the member is not required to file Form CT-1040NR/PY.
- If a member's only income derived from or connected with Connecticut sources is from one or more PEs and each PE is required to make a Connecticut income tax payment on the member's behalf because the member's share of each PE's income derived from or connected with Connecticut sources is \$1,000 or more, the member **is not required to file** Form CT-1040NR/PY.

### Recipients That Are Trusts or Estates

Enter amounts from Schedule CT K-1, Part I, Lines 1 through 5, on **Form CT-1041**, *Connecticut Income Tax Return for Trusts and Estates, Schedule A*, Lines 1 through 5. Enter amounts from Schedule CT K-1, Part I, Lines 6 through 10, on Form CT-1041, *Schedule A*, Lines 7 through 11.

Enter amounts from Schedule CT K-1, Part II, Lines 1 through 13, on the appropriate lines of Schedule CT-1041FA, Part III, Column B.

Enter the amount from Schedule CT K-1, Part III, Line 1, on Form CT-1041, Line 10. You are required to attach Schedule CT K-1 to Form CT-1041.

If all or a portion of the amounts reported on Schedule CT K-1, Part IV, Column A, is to be allocated between the trust and the trust beneficiaries, use the amount reported to complete the worksheet for Schedule CT-IT Credit found in the Form CT-1041, *Connecticut Income Tax Return for Trusts and Estates*, instructions booklet.

If the trust is not allocating the amounts reported on Schedule CT K-1, Part IV, Column A, between the trust and the trust beneficiaries (the trust is claiming the entire amount of credit(s) reported in Column A), then use the amounts reported on Schedule CT K-1, Part IV, Column A, to complete Schedule CT-IT Credit Part I, Column C, where applicable, and Part II, Column D.

Use the PE information on the upper left hand section of Schedule CT K-1 to complete Schedule CT-IT Credit, Part II.

### Recipients That Are Parent PEs

Include the following for each of your members:

- The amounts from Schedule CT K-1, Part I, Lines 1 through 10, in the amounts entered on the parent PE's Form CT-1065/CT-1120SI, Part V, Lines 1 through 10.
- The amounts from Schedule CT K-1, Part II, Lines 1 through 13, in the amounts entered on the parent PE's Form CT-1065/CT-1120SI, Part VI, Lines 1 through 13.
- The amounts from Schedule CT K-1, Part IV, Lines 1 through 4, Column A, on the parent PE's Form CT-1065/CT-1120SI, Part VII, Lines 1 through 4.

Recipients that are parent PEs must also enter the amount from Schedule CT K-1, Part III, Line 1, on the parent PE's Form CT-1065/CT-1120SI, Part I, *Schedule D*, Column C.