



Schedule CT-CE Combined Election

Pass-through entity's Federal Employer Identification Number

2022

Only Designated Combined Reporting PEs should complete this schedule. Please note that each form is year specific. To prevent any delay in processing your return, the correct year's form **must** be submitted to the Department of Revenue Services (DRS).

Section 1 - PE Combination

Column A	Column B	Column C	Column D
Pass-Through Entity Included in the Combined Return	FEIN	Total Income/(Loss) Subject to Tax	Indirect PE Tax Credit From Subsidiary PE(s)
1. (Designated Combined Reporting PE) ▶		.00 ▶	.00
2. ▶		.00 ▶	.00
3. ▶		.00 ▶	.00
4. ▶		.00 ▶	.00
5. ▶		.00 ▶	.00
6. Subtotal(s) from supplemental attachment(s)		6. ▶ .00 ▶	.00
7. Combined Income/(Loss). Add Lines 1 through 6, Column C.		7. ▶ .00	
8. Combined Net Operating Loss deduction. Enter as a positive number. See instructions.		8. ▶ .00	
9. Combined Income/(Loss) subject to tax. Subtract Line 8 from Line 7.		9. ▶ .00	
10. Combined Tax: Multiply Line 9 by 6.99% (.0699). If Line 9 is zero or less, enter zero ("0").		10. ▶ .00	
11. Total Direct PE Tax Credit Available to Members: Multiply Line 10 by 87.5% (.875).		11. ▶ .00	
12. Total Indirect PE Tax Credit Available to Members: Add Lines 1 through 6, Column D.			12. ▶ .00

Section 2 - Allocation of PE Tax Credit to Combined Group Members

Do not allocate the PE Tax Credit to any of the PEs listed in Section 1. See instructions.

Column A	Column B	Column C	Column D	Column E	Column F
Member Name	SSN/FEIN	Member Type	Direct PE Tax Credit	Indirect PE Tax Credit	Total PE Tax Credit
1. ▶			.00	.00 ▶	.00
2. ▶			.00	.00 ▶	.00
3. ▶			.00	.00 ▶	.00
4. ▶			.00	.00 ▶	.00
5. ▶			.00	.00 ▶	.00
6. ▶			.00	.00 ▶	.00
7. ▶			.00	.00 ▶	.00
8. ▶			.00	.00 ▶	.00
9. ▶			.00	.00 ▶	.00
10. ▶			.00	.00 ▶	.00
11. Subtotal(s) from supplemental attachment(s)		11.	.00	.00 ▶	.00
12. Total		12. ▶	.00 ▶	.00 ▶	.00



Schedule CT-CE Instructions

General Instructions

Please note that each form is year specific. To prevent any delay in processing your return, the correct year's form **must** be submitted to the Department of Revenue Services (DRS).

PEs that are commonly-owned and that have the same taxable year end may elect to calculate their PE Tax as a combined group. **Commonly-owned** means that more than 80% of the voting control of each PE is either directly or indirectly owned by a common owner or owners. The election must be made on an annual basis by each electing PE with the filing of its respective return by the due date or extended due date. Each electing PE must use the same filing method (Standard Base or Alternative Base).

To make the combined election, each PE must check the box on Page 1 of its **Form CT-1065/CT-1120SI, Connecticut Pass-Through Entity Tax Return**, that states "PE elects to calculate its tax as combined group with other commonly-owned PEs." The combined group must select one of the electing PEs to be the Designated Combined Reporting PE. Any PE in the combined group may be selected.

Each electing PE, regardless of whether it is the Designated Combined Reporting PE, must file its own Form CT-1065/CT-1120SI, along with any required schedules, with DRS.

The Designated Combined Reporting PE should check the box on its Form CT-1065/CT-1120SI that states "PE is the Designated Combined Reporting PE." Each other electing PE should check the box on Page 1 of its Form CT-1065/CT-1120SI that states "PE's income is reported on Schedule CT-CE filed by the Designated Combined Reporting PE listed below." Each other electing PE must also enter the Designated Combined Reporting PE's name and Federal Employer Identification Number (FEIN).

Note: The Combined Election is made on an annual basis and is irrevocable.

The combined group's income or loss and any tax due will be determined on Schedule CT-CE, Section 1 filed by the Designated Combined Reporting PE. Only the Designated Combined Reporting PE should file Schedule CT-CE.

The Designated Combined Reporting PE is responsible for reporting and paying the tax due for the combined group. If the combined group's tax is not paid, each electing PE is jointly and severally liable.

After determining the combined group's PE Tax due, the Designated Combined Reporting PE may allocate the combined group's PE Tax Credit among the members of the electing PEs in the manner it deems appropriate. This allocation is reported on Schedule CT-CE, Section 2.

The Designated Combined Reporting PE must obtain from each electing PE the information needed to complete Schedule CT-CE. This information includes:

- Each electing PE's FEIN;
- Each electing PE's income or loss reported on each PE's Form CT-1065/CT-1120SI (either on the Standard or Alternative Base – the selected method must be the same for all electing PEs);
- Any PE Tax Credit reported to an electing PE on **Schedule CT K-1, Member's Share of Certain Connecticut Items**, Part 3 (this amount should only be from other PEs that are not filing as part of this combined group); **and**
- The information about the members of each PE, including SSN/FEIN, member type code, and mailing address (this information is only required about those members who will be allocated a portion of the combined group's PE Tax Credit in Section 2).

Section 1 – PE Combination

If there are more than five PEs included in this combined return, use **Schedule CT-CE Supplemental Attachment**.

Column A: Pass-Through Entity Included in the Combined Return

Enter each PE that elected to be included in this combined return. List the Designated Combined Reporting PE on Line 1.

Note: Each electing PE must still file its own Form CT-1065/CT-1120SI, including any required schedules. Each electing PE must also issue Schedule CT K-1s to its members. No electing PE, other than the Designated Combined Reporting PE, should report any PE Tax Credit on Schedule CT K-1, Part 3.

Column B: FEIN

Enter the FEIN of each electing PE.

Column C: Total Income/(Loss) Subject to Tax

If the combined group is calculating its tax using the Standard Base, enter the amount that each electing PE reported on Form CT-1065/CT-1120SI, Part 1, *Schedule B*, Line 20, Column D.

If the combined group is calculating its tax using the Alternative Base, enter the amount that each electing PE reported on **Schedule CT-AB, Alternative Base Calculation**, Section 1, Line 5.

Important: Each electing PE must calculate its income/(loss) on the same filing method (Standard Base or Alternative Base).

Line 8: A combined group is eligible to claim the combined net operating loss (NOL) deduction if:

- The electing PEs filed a combined return together for taxable year 2021;
- The electing PEs used the Standard Base for taxable year 2021; **and**
- The combined group reported a combined loss on 2021 Schedule CT-CE, Section 1, Line 9.

A combined group may only claim the combined NOL deduction if the electing PEs included in the 2022 combined return are the same as the electing PEs included in the combined return in the year the combined loss was generated. The combined NOL deduction is not allowed if an electing PE has been added to or removed from the combined group.

If eligible, report the net loss from 2021 Schedule CT-CE, Section 1, Line 9 on this line. Report this amount as a positive number.

Line 9: Report this amount on Form CT-1065/CT-1120SI, Part 1, *Schedule A*, Line 1.

Column D: Indirect PE Tax Credit From Subsidiary PE(s)

Enter the amount of PE Tax Credit that each electing PE reported on Form CT-1065/CT-1120SI, Part 1, *Schedule D*, Line 7, Column C.

The amounts reported in this column cannot include any PE Tax Credit reported from an electing PE that is listed in Column A of this Section. See *Section 2 – Allocation of PE Tax Credit to Combined Group Members*.

Section 2 – Allocation of PE Tax Credit to Combined Group Members

If there are more than ten members who will be allocated a portion of the PE Tax Credit, use **Schedule CT-CE Supplemental Attachment**.

A member listed in this section may include someone who is not a member of the Designated Combined Reporting PE (i.e., he or she is a member of one of the electing PEs, but not the Designated Combined Reporting PE). For these members, the Designated Combined Reporting PE should issue each member a Schedule CT K-1 and report the amount of the combined group's PE Tax Credit allocated to the member in Schedule CT K-1, Part 3. No other Part of the Schedule CT K-1 should be completed by the Designated Combined Reporting PE for these members.

For each of the Designated Combined Reporting PE's own members (members reported on Part 3 of the Designated Combined Reporting PE's Form CT-1065/CT-1120SI), the Designated Combined Reporting PE should issue a Schedule CT K-1 with all applicable Parts completed. The amount of the combined group's PE Tax Credit allocated to the member should be reported in Schedule CT K-1, Part 3.

Column A: Member Name

List each member of an electing PE listed in Section 1 who will be allocated a portion of the combined group's PE Tax Credit. Do not list any electing PE that is listed in Section 1. You cannot allocate the combined group's PE Tax Credit to an electing PE.

Column B: SSN/FEIN

Enter the social security number or federal employer identification number of each member listed in Column A.

Column C: Member Type

Enter the member type code for each member listed in Column A. This should be the same code that is reported in Form CT-1065/CT-1120SI, Part 3 (or on the return of another electing PE if the member is not a member of the Designated Combined Reporting PE).

Column D: Direct PE Tax Credit

Enter the portion of the Direct PE Tax Credit reported on Section 1, Line 11, Column C that is allocated to each member listed in Column A. The Designated Combined Reporting PE may allocate this credit to the members listed in Column A in the manner it deems appropriate.

Column E: Indirect PE Tax Credit

Enter the portion of the Indirect PE Tax Credit reported on Section 1, Line 12, Column D that is allocated to each member listed in Column A. The Designated Combined Reporting PE may allocate this credit to the members listed in Column A in the manner it deems appropriate.

Column F: Total PE Tax Credit

Add the amount reported in Column D and Column E for each member listed in Column A. The Designated Combined Reporting PE should report this amount on a Schedule CT K-1, Part 3, Line 1 that it issues to each member listed in Column A.