

**Form CT-PET**  
**Connecticut Pass-Through Entity Tax**  
**Return Instructions**

**2024**

For additional information on the Connecticut Pass-Through Entity Tax, visit [portal.ct.gov/DRS/Taxes/Pass-Through-Entity/Tax-Information](https://portal.ct.gov/DRS/Taxes/Pass-Through-Entity/Tax-Information).

**This form is optional and elected on Form CT-1065/CT-1120SI, Connecticut Composite Income Tax Return. This election cannot be amended or revoked.**

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).

**Order in Which to Complete Schedules**

Complete the schedules for **Form CT-PET, Connecticut Pass-Through Entity Tax Return**, in the following order:

- Pass-Through Entity Information;
- Part 2 – Allocation and Apportionment of Income;
- Part 3, *Schedule B* – PE's Connecticut Modifications;
- Part 3, *Schedule A* – Computation of PE's Own Connecticut Source Income/(Loss);
- Part 4 – Member Information;
- Part 1, *Schedule B* – Pass-Through Entity Income;
- Part 1, *Schedule C* – Resident Portion of Unsourced Income;
- Part 1, *Schedule D* – Allocation of PE Tax Credit to Members; **and**
- Part 1, *Schedule A* – Computation of Amount Due.

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**Pass-Through Entity Information**

Enter the PE's name, address, Federal Identification Number (FEIN), and Connecticut Tax Registration Number.

**Type of PE:** Check the box to indicate type of PE: General partnership (GP), S corporation, Limited liability partnership (LLP), Limited partnership (LP), or Partnership (including LLC treated as a partnership).

**Item A:** Check the appropriate box(es) for an amended return or short period return. If this is a short period return, attach a statement with a detailed explanation.

**Item B:** If this is an amended return, enter the reason for filing. If due to adjustments made by the Internal Revenue Service (IRS) or an amended federal return, enter the date the IRS made its final determination. Attach a copy of your federal amended return or the IRS determination.

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**Part 1, Schedule A – Computation of Pass-Through Entity Tax Due**

*All PEs must complete this schedule.*

**Line 1: PE income/(loss) subject to tax**

Enter the amount from Part 1, *Schedule B*, Line 5.

**Line 2: PE Tax due**

Multiply Line 1 by 6.99%. If Line 1 is zero or less, enter zero ("0").

**Line 3: Business tax credits**

If completing **Form CT-1120AT, Apprenticeship Training Tax Credit**, enter the amount from Line 1. Otherwise, enter zero ("0"). Attach a copy of **Form CT-1120AT, Apprenticeship Training Tax Credit**.

This credit does not have any carryback or carryforward provisions.

**Line 4: Balance of tax payable**

Subtract Line 3 from Line 2. If zero or less, enter zero ("0").

**Line 5a: 2024 estimated payments**

Enter the amount of 2024 estimated tax payments made by the PE.

**Line 5b: Extension payment**

If **Form CT-PET EXT** was filed, enter the amount of tax paid with **Form CT-PET EXT**.

**Line 5c:**

Enter the overpayment from the PE's 2023 **Form CT-1065/CT-1120SI** applied to 2024.

**Line 5d:**

Amended filers only. Enter amounts paid with original return, plus additional tax paid after the original return was filed. Do not include penalty and interest.

**Line 5: Total payments**

Add Lines 5a through 5d.

**Line 6:**

Amended filers only. Enter overpayment, if any, as shown on the original return or previously adjusted. All others, enter zero ("0").

**Line 7:**

Subtract Line 6 from Line 5.

**Line 8: Balance of tax due/(overpaid)**

Subtract Line 7 from Line 4.

**Line 9a: Late payment or late filing penalty**

The penalty for late payment of the tax due is 10% of the amount due. In the event that no tax is due, the Commissioner of Revenue Services **may** impose a \$50 penalty for the late filing of any return or report required by law to be filed. However, if a request for extension of time to file a tax return has been granted, no late payment penalty will be imposed if:

- The amount of tax shown to be due on the return, minus

the amount of tax paid on or before the original due date of the return, equals an amount not greater than 10% of the amount of the tax shown to be due on the return; **and**

- The balance due is remitted with the return on or before the extended due date of the return.

**Line 9b: Late payment interest**

If the tax is not paid by the due date, interest is charged at the rate of 1% per month or fraction of a month from the due date until the tax is paid in full.

**Line 9c: Interest on underpayment of estimated tax**

Enter the interest due on the underpayment of estimated tax calculated on **Worksheet CT-2210PE, Underpayment of Estimated Income Tax by Pass-Through Entities.**

**Line 9d: Annualizing estimated payments**

Check this box if the PE used the annualized method to calculate the interest due on the underpayment of estimated tax that is reported on Line 9c.

**Line 9: Total penalty and interest**

Add Lines 9a, 9b, and 9c.

**Line 10a: Overpayment applied to 2025 estimated PE Tax**

Enter the amount of the overpayment to be credited to 2025 estimated PE Tax.

The election to apply an overpayment to 2025 is irrevocable.

**Line 10b: Amount applied to 2024 Form CT-1065/CT-1120SI liability**

Enter the amount of the overpayment to be credited to **2024 Form CT-1065/CT-1120SI, Connecticut Composite Income Tax Return.**

**Line 10c: Overpayment to be refunded**

Enter the amount of overpayment to be refunded.

**Lines 10d through 10f:**

Get the refund faster by choosing direct deposit. Complete Lines 10d, 10e, and 10f to have the refund directly deposited into a checking or savings account.

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

Enter the nine-digit bank routing number and the bank account number in Lines 10e and 10f. The bank routing number is normally the first nine-digit number printed on the check or savings withdrawal slip. The bank account number generally follows the bank routing number. Do not

include the check number as part of the account number. Bank account numbers can be up to 17 characters.

If any of the bank information supplied for direct deposit does not match, or the applicable bank account is closed prior to the deposit of the refund, the refund will automatically be mailed.

**Line 10g:**

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

**Line 10: Total to be credited or refunded**

Add Line 10a, 10b, and Line 10c.

**Line 11: Total amount due**

Add Line 8 and Line 9. If the result is zero (“0”) or less, leave this line blank.

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**Part 1, Schedule B – Pass-Through Entity Income**

*All PEs must complete this schedule.*

**Line 1: Connecticut Source PE Income/(Loss)**

Enter the amount from Part 3, *Schedule A*, Line 18, Column D.

**Line 2: Connecticut Source Income - Distributive Share Percentage**

Enter the amount from Part 1, *Schedule D*, Line 7, Column C. Enter as a decimal and carry to six decimal places.

**Line 3: Modified Connecticut Source Income/(Loss)**

Multiply Line 1 by Line 2.

**Line 4: Resident Portion of Unsourced Income**

Enter the amount from Part 1, *Schedule C*, Line 8.

**Line 5: PE Income/(Loss) Subject to Tax**

Add Line 3 and Line 4. Enter on Part 1, *Schedule A*, Line 1.

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**Part 1, Schedule C – Resident Portion of Unsourced Income**

*Complete this section only if at least one member is a resident individual (RI).*

**Line 1: Total PE Income/(Loss)**

Enter the amount from Part 3, *Schedule A*, Line 18, Column A.

**Line 2: Connecticut Source PE Income/(Loss)**

Enter the amount from Part 3, *Schedule A*, Line 18, Column D.

**Line 3: Connecticut Source PE Income/(Loss) from Subsidiary PE(s)**

Enter the amount of any Connecticut source income or loss from a subsidiary PE that was included in the amount reported on Part 1, *Schedule C*, Line 1.

**Line 4: Other State Sourced PE Income/(Loss)**

Enter the amount derived from or connected with sources

within another state that has jurisdiction to tax the affected business entity and actually imposes tax on the affected business entity, or its members who are residents of this state, that was included in the amount reported on Part 1, *Schedule C*, Line 1.

**Line 5: Total Subtractions**

Add Line 2, Line 3, and Line 4.

**Line 6: Net Unsourced Income**

Subtract Line 5 from Line 1. If this amount is less than zero, enter zero (“0”).

**Line 7: Resident Individual Distributive Share Percentage**

Enter the amount from Part 1, *Schedule D*, Line 7, Column E. Enter as a decimal and carry to six decimal places.

**Line 8: Total Resident Portion of Unsourced Income**

Multiply Line 6 by Line 7. Also, report this amount on Part 1, *Schedule B*, Line 4. If this amount is less than zero, enter zero (“0”).

**Part 1, Schedule D—Allocation of PE Tax Credit to Members**

In completing schedule, only include the following members types: RI, NI, RT, NT, RE, NE, or PE. Do not include any CM members.

**If all members are CMs, do not complete this section and enter zero (“0”) on Lines 2 through 5 of Part 1, Schedule B.**

Reminder – A CM member includes:

- C corporation for federal income tax purposes;
- LLC which has elected to be taxed as a C corporation for federal income tax purposes;
- Real estate investment trust;
- Real estate mortgage investment conduit;
- Regulated investment company,
- Individual retirement account described in 26 U.S.C. § 408(a);
- Trust described in 26 U.S.C. § 401(a); **and**
- Organization exempt from federal income tax (including organizations described in 26 U.S.C. § 501(c) or (d)).

If there are more than five members reported in this schedule, use **Form CT-PET, Supplemental Attachment**.

**Column A: Member Number**

Enter the member number assigned in Part 4.

**Column B: Member Type**

Enter the member type code reported in Part 4.

**Column C: Connecticut Source Income - Distributive Share Percentage (RI, NI, RT, NT, RE, NE, and PE)**

Enter the distributive share percentage reported in Part 4, for each member listed. This amount reflects each member’s share of the PE’s Connecticut source income or loss. Enter as a decimal and carry to six decimal places.

**PE Members:** If a member is itself a PE (a parent PE) and one or more members of the parent PE is a corporate member (CM), do not include the portion of the parent PE’s distributive share that is attributable to its corporate members in Column C. If you do not have information about the members of a parent PE, you should report the full amount of the parent PE’s distributive share in Column C.

If a subsidiary PE is excluding a portion of the parent PE’s distributive share because one or more members of the parent PE are corporate members, the subsidiary PE must prepare a statement listing the parent PE’s corporate members. The statement must include each corporate member’s name, FEIN, distributive share percentage, and share of income. Retain a copy of the completed statement for at least three years from the date of filing. The statement must be provided to DRS upon request.

**Column D: Prorated Connecticut Modified Source Income/(Loss)**

Prorate the PE’s Connecticut modified source income or loss by dividing the percentage listed on each line in Column C by the percentage listed on Line 7 and then multiplying the resulting fraction by the amount on Part 1, *Schedule B*, Line 3.

**Example 1**

	Reported in Column C	Proration Percentage	Amount to Report in Column D
<b>Modified CT Source Income (Part 1, Schedule B, Line 3)</b>			<b>\$ 5,000</b>
Member A	10%	20%	\$ 1,000
Member B	30%	60%	\$ 3,000
Member C	10%	20%	\$ 1,000
<b>Total</b>	<b>50%</b>	<b>100%</b>	<b>\$ 5,000</b>

**Example 2 - Negative Distributive Share**

	Reported in Column C	Proration Percentage	Amount to Report in Column D
<b>Modified CT Source Income (Part 1, Schedule B, Line 3)</b>			<b>\$ 10,000</b>
Member E	25%	50%	\$ 5,000
Member F	30%	60%	\$ 6,000
Member G	-5%	-10%	(\$ 1,000)
<b>Total</b>	<b>50%</b>	<b>100%</b>	<b>\$ 10,000</b>

**Column E: Total Income - Resident Individual Distributive Share Percentage (RI Only)**

Enter the distributive share percentage of the PE’s total income for each RI member. Enter as a decimal and carry to six decimal places. The amounts in Column E reflect each resident individual’s share of the PE’s total income. A resident individual’s percentage listed in Column E may be different than the percentage listed in Column C. Enter zero (“0”) for any member that is not an RI.

**Column F: Prorated Resident Portion of Unsourced Income**

Prorate the PE’s Resident Portion of Unsourced Income by dividing the percentage listed on each line in Column E by the percentage listed on Line 7, Column E and then multiplying the resulting fraction by the amount on Part 1, *Schedule C*, Line 8. If any amount in Column E is negative, treat such amount as zero (“0”) when prorating.

<b>Example 3</b>			
<i>Resident Portion of Unsourced Income (Part 1, Schedule C, Line 8)</i>			<b>\$ 75,000</b>
	<b>Reported in Column E</b>	<b>Proration Percentage</b>	<b>Amount to Report in Column F</b>
Resident Member A	5%	10%	\$ 7,500
Resident Member B	30%	60%	\$ 45,000
Resident Member C	15%	30%	\$ 22,500
<b>Total</b>	<b>50%</b>	<b>100%</b>	<b>\$ 75,000</b>

<b>Example 4 - Negative Distributive Share</b>				
<i>Resident Portion of Unsourced Income (Part 1, Schedule C, Line 8)</i>				<b>\$ 150,000</b>
	<b>Distributive Share %</b>	<b>Reported in Column E *</b>	<b>Proration Percentage</b>	<b>Amount to Report in Column F</b>
Resident Member E	20%	20%	40%	\$ 60,000
Resident Member F	30%	30%	60%	\$ 90,000
Resident Member G	-20%	0%	0%	\$ -
<b>Total</b>		<b>50%</b>	<b>100%</b>	<b>\$ 150,000</b>

\* Treat negatives as zero ("0").

### Column G: PE Income/(Loss) Subject to Tax

Add the amounts from Column D and Column F.

### Column H: Pass-Through Entity Tax

Multiply Column G by 6.99% (.0699) unless any line in Column G is less than zero. If any line in Column G is less than zero, treat the negative amounts as zero ("0") and prorate the tax reported on Part 1, *Schedule A*, Line 2 based upon the positive amounts listed in Column G.

### Column I: PE Tax Credit

Multiply Column H by 87.5% (.875).

## Part 2 – Allocation and Apportionment of Income

*If the PE carries on business only within Connecticut, enter 1.000000 (100%) on Line 8 and leave the other lines blank.*

### Complete only if both of the following apply:

- The PE carries on business both within and outside Connecticut; **and**
- The PE does not maintain books and records that satisfactorily disclose the portion of income, gain, loss, or deduction derived from or connected with Connecticut sources.

The apportionment fraction calculated on Line 8 is used to complete Part 3, *Schedule A*, Column D and Part 3, *Schedule B*, Column D.

If the PE maintains books and records that satisfactorily disclose the portion of income, gain, loss, or deduction derived from or connected with Connecticut sources then those amounts must be used to complete Part 3, *Schedule A*, Column D and Part 3, *Schedule B*, Column D.

Do not include in Part 2 any factors that are associated with the rental of real property or gain or loss from the sale, exchange, or other disposition of real property under Conn. Agencies Regs. § 12-711(b)-8.

Any such income, gain, loss, and deduction derived from or connected with Connecticut sources must be used to complete Part 3, *Schedule A*, Column D and Part 3, *Schedule B*, Column D. If receipts from the sale of tangible personal property are excluded from the sales factor, the net gain (or loss) from such sale should be allocated to the state where the property is located and is not subject to apportionment.

The apportionment fraction is calculated using only those factors directly related to the PE filing the return. Factors from subsidiary PEs should not be included.

Effective for taxable years beginning on or after **January 1, 2017**, a business, trade, profession, or occupation carried on in Connecticut and outside of Connecticut must apportion its income using a single factor gross income percentage. Businesses must source receipts from the sales of services and intangible property on a market basis. Receipts from the rental, lease, or license of tangible personal property are sourced according to the location of the property. Receipts from the sale of tangible personal property continue to be sourced based upon the location of the purchaser. See **Special Notice 2017(1)**, *Legislative Changes Regarding Single-Sales Factor Apportionment and Market-Based Sourcing*.

### Line 1: Gross Receipts From the Sale or Disposition of Tangible Personal Property Held for Sale in the Ordinary Course of Trade or Business

Enter in Column A the gross receipts from sales of tangible personal property delivered or shipped to a purchaser within Connecticut regardless of F.O.B. point or other conditions of sale.

Enter in Column B the total gross receipts from sales of tangible personal property in and outside of Connecticut.

### Line 2: Gross Receipts From Services

Enter in Column A gross receipts from services where the market for the services is within Connecticut. The market for the services is within Connecticut if and to the extent the service is used within Connecticut.

Enter in Column B gross receipts from services in and outside of Connecticut.

### Line 3: Gross Receipts From the Rental, Lease or License of Tangible Personal Property

Enter in Column A the gross receipts from the rental, lease or license of tangible personal property located within Connecticut.

Enter in Column B the total gross receipts from the rental, lease or license of tangible personal property in and outside of Connecticut.

**Line 4: Gross Receipts From the Rental, Lease or License of Intangible Property**

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

Enter in Column B the total gross receipts from the rental, lease or license of intangible property in and outside of Connecticut.

**Line 5: Gross Receipts From the Sale or Disposition of Intangible Property Held for Sale in the Ordinary Course of Trade or Business**

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

Enter in Column B the total gross receipts from the sale or other disposition of intangible property in and outside of Connecticut.

**Line 6: Other Receipts**

Enter in Column A the total gross receipts earned in Connecticut that are not otherwise reported on Line 1 through Line 5.

Do not, however, include:

- Receipts from the sale or disposition of tangible personal property or intangible property if the property is not held for sale in the ordinary course of business; **or**
- Receipts from the sale, rental, lease or license of real property.

Enter in Column B the total gross receipts earned in and outside of Connecticut that are not otherwise reported on Line 1 through Line 5.

**Line 7: Total**

Add Lines 1 through 6 in Column A and Column B.

**Line 8: Apportionment fraction**

Divide Line 7, Column A, by Line 7, Column B, and carry to six places.

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**Part 3, Schedule A – Computation of PE’s Own Connecticut Source Income/(Loss)**

*All PEs must complete this schedule.*

Refer to Schedule K of federal Form 1065 or federal Form 1120S for the amounts to enter on Line 1 through Line 13.

**Column A**

**Line 1 through Line 13:** Enter the amounts from federal Form 1065, Schedule K, or federal Form 1120S, Schedule K.

Deductions that are deemed to be itemized deductions or are subject to limitations at the member level for federal income tax purposes should not be included as part of other deductions on Line 13.

**Line 15:** Enter the subtractions from Part 3, *Schedule B*, Line 15, Column A.

**Line 17a:** Enter the amount of Connecticut PE Tax payments that were deducted in calculating income or loss for federal purposes less any Connecticut refunds of PE Tax reported as income on the federal return. If refunds of Connecticut PE Tax exceed the Connecticut PE Tax payments, report the net refund as a negative number on this line.

**Line 17b:** Enter the additions from Part 3, *Schedule B*, Line 7, Column A. These are the Connecticut addition modifications.

**Column B**

*The amounts in Column B reflect the amounts from subsidiary PEs. These amounts are subtracted from the amounts in Column A to arrive at the PE’s own income/(loss).*

If you are a parent PE, refer to the federal Schedule K-1 and Connecticut Schedule CT K-1 issued to you by subsidiary PEs. Enter in Column B the portion of Column A attributable to subsidiary PEs. If none of the income or loss in Column A is from subsidiary PEs, enter zero (“0”). If reporting amounts from more than one subsidiary PE, enter the sum of the income or loss from each PE and attach a schedule reporting the amounts from each subsidiary PE.

**Line 13:** Deductions that are deemed to be itemized deductions or are subject to limitations at the member level for federal income tax purposes should not be included as part of other deductions on Line 13.

**Column C**

*The amounts in Column C reflect the PE’s income, gain, loss and deductions from its own operations.*

Subtract the amount reported in Column B from the amount reported in Column A. The resulting amounts reflect the PE’s income, gain, loss and deductions from its own activities.

**Column D**

*The amounts in Column D reflect the PE’s Connecticut income, gain, loss, and deductions from its own activities. Do not include any amounts from subsidiary PEs. Enter zero (“0”) in Column D if the entity’s only source of Connecticut income or loss is from its distributive share(s) of income from its subsidiary PE(s).*

**Line 1: Ordinary business income (loss)**

Enter the Connecticut portion of PE’s nonseparately stated income or loss.

A PE that maintains books and records that satisfactorily disclose the portion of its nonseparately stated income or loss reported on Line 1, Column C that is derived from or connected with Connecticut sources must enter such amount on Line 1, Column D.

A PE that does not maintain books and records that satisfactorily disclose the portion of its nonseparately stated income or loss reported on Line 1, Column C derived from or connected with Connecticut sources must use the apportionment fraction computed on Part 2, Line 8, to determine the portion of any item derived from or connected with Connecticut sources.

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**Example 1:** Assume that a PE, whose nonseparately stated income is entirely derived from its business, maintains books and records that satisfactorily disclose the portion of the income derived from or connected with Connecticut. Assume the PE has nonseparately stated income of \$500,000 derived from or connected with Connecticut sources. PE must enter \$500,000 on Line 1, Column D.

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**Example 2:** Assume that a PE does not maintain books and records that satisfactorily disclose the portion of its nonseparately stated income derived from or connected with Connecticut. Assume that the PE's nonseparately stated income is \$1,000,000 and its apportionment fraction as reported on Part 2, Line 8, is 40%. The PE must enter \$400,000 ( $\$1,000,000 \times 0.40 = \$400,000$ ) on Line 1, Column D as the amount the PE's nonseparately stated income derived from or connected with Connecticut sources.

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**Line 2: Net rental real estate income (loss)**

Enter the Connecticut portion of PE's income (loss) reported on Line 2, Column C that is attributable to rental activities. The Connecticut portion of amounts attributable to real property located in Connecticut is 100%. The Connecticut portion of amounts attributable to real property located outside Connecticut is 0%.

**Line 3: Other net rental income (loss)**

Enter the Connecticut portion of the PE's other net rental income or loss reported on Line 3, Column C. Unless the PE maintains books and records that satisfactorily disclose the portion of income, gain, loss, or deduction derived from or connected with Connecticut sources, the Connecticut portion is calculated by multiplying the amount reported in Column C by the apportionment fraction on Part 2, Line 8.

**Line 4: Guaranteed payments (partnerships and LLCs treated as partnerships only)**

Enter the Connecticut portion of the PE's guaranteed payments reported on Line 4, Column C. Unless the PE maintains books and records that satisfactorily disclose the portion of income, gain, loss, or deduction derived from or connected with Connecticut sources, the Connecticut portion is calculated by multiplying the amount reported in Column C by the apportionment fraction on Part 2, Line 8.

If the PE has used the apportionment fraction to calculate the portion of its nonseparately stated income derived from or connected with Connecticut sources on Line 1, the PE must also use the apportionment fraction to calculate its guaranteed payments derived from or connected with Connecticut sources on Line 4.

**Line 5: Interest income**

Enter the Connecticut portion of the PE's interest income reported on Line 5, Column C. Items of income, gain, loss, and deduction derived from or connected with sources within Connecticut do not include items attributable to intangible personal property except to the extent the intangible personal property is employed in a business, trade, profession, or occupation carried on in Connecticut. Unless the PE maintains books and records that satisfactorily disclose the portion of the interest income derived from or connected with Connecticut sources, the Connecticut portion is calculated by multiplying the amount reported in Column C by the apportionment fraction on Part 2, Line 8.

**Line 6a: Ordinary dividends**

Enter the Connecticut portion of the PE's dividend income reported on Line 6a, Column C. Items of income, gain, loss, and deduction derived from or connected with sources within Connecticut do not include items attributable to intangible personal property except to the extent the intangible personal property is employed in a business, trade, profession, or occupation carried on in Connecticut. For example, dividends from stock used as collateral to secure a business loan (for a Connecticut business) would be income from intangible personal property employed in a Connecticut trade or business, and therefore, would be subject to Connecticut income tax. Unless the PE maintains books and records that satisfactorily disclose the portion of the dividend income derived from or connected with Connecticut sources, calculate the Connecticut portion by multiplying the amount reported in Column C by the apportionment fraction on Part 2, Line 8.

**Line 7: Royalties**

Enter the Connecticut portion of the PE's royalty income reported on Line 7, Column C. Items of income, gain, loss, and deduction derived from or connected with sources within Connecticut do not include items attributable to intangible personal property except to the extent the intangible personal property is employed in a business, trade, profession, or occupation carried on in Connecticut. Unless the PE maintains books and records that satisfactorily disclose the portion of the royalties income derived from or connected with Connecticut sources, calculate the Connecticut portion by multiplying the amount reported in Column C by the apportionment fraction on Part 2, Line 8.

**Line 8: Net short-term capital gain (loss)**

Enter the Connecticut portion of the PE's net short-term capital gain (loss) reported on Line 8, Column C. If the amount relates to the sale of rental property located in Connecticut, the capital gain (loss) is 100% sourced to Connecticut. Items of capital gain (loss) attributable to intangible personal property (such as the sale of stock) are not sourced to Connecticut except to the extent the intangible personal property is employed in a business, trade, profession, or occupation carried on in Connecticut.

Certain short term gains and losses from the sale or disposition of an interest in an entity that owns, directly

or indirectly, real property in Connecticut is considered Connecticut sourced income.

Entity means a partnership, limited liability company, or S corporation.

**Line 9a: Net long-term capital gain (loss)**

Enter the Connecticut portion of the PE's net long-term capital gain (loss) reported on Line 9a, Column C. If the amount relates to the sale of rental property located in Connecticut, the capital gain (loss) is 100% sourced to Connecticut. Items of capital gain (loss) attributable to intangible personal property, such as the sale of stock, are not sourced to Connecticut except to the extent the intangible personal property is employed in a business, trade, profession, or occupation carried on in Connecticut.

Certain long term gains and losses from the sale or disposition of an interest in an entity that owns, directly or indirectly, real property in Connecticut is considered Connecticut sourced income.

Entity means a partnership, limited liability company, or S corporation.

**Line 10: Net section 1231 gain (loss)**

Enter the Connecticut portion of the PE's gain (loss) under IRC § 1231 reported on Line 10, Column C.

The Connecticut portion of amounts attributable to real property located in Connecticut is 100%. The Connecticut portion of amounts attributable to real property located outside Connecticut is 0%.

If the gain (loss) is not attributable to real property and the PE does not maintain books and records that satisfactorily disclose the portion of income, gain, loss, or deduction derived from or connected with Connecticut sources, then the Connecticut portion is calculated by multiplying the amount reported in Column C by the apportionment fraction on Part 2, Line 8.

**Line 11: Other income (loss)**

Enter the Connecticut portion of the PE's other items of income or loss not included on Lines 1 through 10 above. Attach a statement that separately identifies the type and amount of income or loss.

Unless the PE maintains books and records that satisfactorily disclose the portion of income, gain, loss, or deduction derived from or connected with Connecticut sources, the Connecticut portion is calculated by multiplying the amount reported in Column C by the apportionment fraction on Part 2, Line 8.

**Line 12: Section 179 deduction**

Enter the Connecticut portion of the PE's deduction allowed under IRC § 179 reported on Line 12, Column C.

Unless the PE maintains books and records that satisfactorily disclose the portion of income, gain, loss, or deduction derived from or connected with Connecticut sources, the Connecticut portion is calculated by multiplying the amount reported in Column C by the apportionment fraction on Part 2, Line 8.

**Line 13: Other deductions**

Enter the Connecticut portion of the PE's other deductions not deducted in arriving at ordinary income or loss from trade or business activities and separately stated on the federal Schedule K-1. Deductions that are deemed to be itemized deductions or are subject to limitations at the member level for federal income tax purposes should not be included as part of other deductions in determining Connecticut source income.

Unless the PE maintains books and records that satisfactorily disclose the portion of income, gain, loss, or deduction derived from or connected with Connecticut sources, the Connecticut portion is calculated by multiplying the amount reported in Column C by the apportionment fraction on Part 2, Line 8.

Attach a statement that separately identifies the type and amount of each deduction.

**Line 15: Subtraction Modifications**

Enter the Connecticut portion of the PE's Connecticut subtraction modifications. This amount is reported on Part 3, *Schedule B*, Line 15, Column D.

**Line 17a: Connecticut PE Tax Payments**

Enter the amount of Connecticut PE Tax payments that were deducted in calculating income or loss for federal purposes less any Connecticut refunds of PE Tax reported as income on the federal return. If refunds of Connecticut PE Tax exceed the Connecticut PE Tax payments, report the net refund as a negative number on this line. Unless the PE maintains books and records that satisfactorily disclose the portion of income, gain, loss, or deduction derived from or connected with Connecticut sources, the Connecticut portion is calculated by multiplying the amount reported in Column C by the apportionment fraction on Part 2, Line 8.

If the PE has used the apportionment fraction to calculate the portion of its nonseparately stated income derived from or connected with Connecticut sources on Line 1, the PE must also use the apportionment fraction to calculate its Connecticut PE Tax Payments connected with Connecticut sources on Line 17a.

**Line 17b: Addition Modifications**

Enter the Connecticut portion of the PE's Connecticut addition modifications. This amount is reported on Part 3, *Schedule B*, Line 7, Column D.

**Line 18:**

The amount on Line 18, Column D reflects the PE's Connecticut Source Income/(Loss). This amount should not include any Connecticut Source Income/(Loss) from subsidiary PEs. This amount should be reported on Part 1, *Schedule B*, Line 1.

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**Part 3, Schedule B – PE's Connecticut Modifications**  
*PEs with Connecticut modifications must complete this schedule.*

## Column A

Enter the total amount of modifications, including any modifications attributable to this PE and any reported on Schedule CT K-1s from Subsidiary PEs.

## Column B

Enter the modifications that are reported in Column A that are attributable to subsidiary PEs.

If this PE has no subsidiary PEs, enter zero (“0”) on all lines in Column B. If you are a parent PE, refer to Connecticut Schedule CT K-1, Part 1, issued to you by subsidiary PE(s). If reporting amounts from more than one subsidiary PE, enter the sum of each modification from each PE and attach a schedule reporting the modifications from each subsidiary PE.

## Column C

Subtract Column B from Column A. The resulting amounts are the modifications attributable to this PE’s own activities.

## Column D

Report the Connecticut source portion of each modification. If the modification is not attributable to real property and the PE does not maintain books and records that satisfactorily disclose the portion of modification derived from or connected with Connecticut sources, then the Connecticut portion of the modification (other than Lines 11 and 12) is calculated by multiplying the amount reported in Column C by the apportionment fraction on Part 2, Line 8 unless stated otherwise in the instructions below.

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## Additions

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Enter each amount as a positive number.

### Line 1: Interest on state and local government obligations other than Connecticut

Enter the amount of the PE’s interest income derived from state and municipal government obligations, other than obligations of the State of Connecticut or its municipalities, which interest income 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 2: Mutual fund exempt-interest dividends from non-Connecticut state or municipal government obligations

Enter the amount of the PE’s exempt-interest dividends received from a mutual fund 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.

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

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### Line 3: Certain deductions relating to income exempt from Connecticut income tax

Enter the amount deducted for federal purposes for:

- Interest expense on loans used to buy bonds and securities whose interest is exempt from Connecticut tax;
- Expenses related to income exempt from Connecticut tax; **and**
- Amortizable bond premium on any bond, the interest from which is exempt from Connecticut tax.

### Line 4: Section 168(k) federal bonus depreciation allowed for property placed in service during this year

Enter 100% of the amount of Section 168(k) bonus depreciation allowed for property placed in service during this taxable year for federal purposes.

### Line 5: 80% of Section 179 federal deduction

Enter 80% of the amount of Section 179 deduction allowed for federal purposes and reported on Part 3, *Schedule A*, Line 12.

### Line 6: Other

Report the amount of the PE’s additions to income not listed on Lines 1 through 5. For example, include the amount of:

- Any loss recognized on the sale or exchange of bonds or other obligations of the State of Connecticut or its municipalities;
- The PE’s share of any positive Connecticut fiduciary adjustment received from a trust or estate of which the PE is a beneficiary;
- Any interest or dividend income on federal obligations or securities exempt from federal tax and which federal law does not exempt from state taxes;
- To the extent deductible in determining federal adjusted gross income, expenses paid for the production or collection of Connecticut tax-exempt income or paid for the management, conservation, or maintenance of property held for the production of the income;
- Add back, to the extent not properly includible in gross income for federal purposes, any compensation required to be recognized under 26 U.S.C. § 457A that is attributable to services performed within Connecticut; **and**
- 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.



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## Subtractions

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Enter each amount as a positive number.

### Line 8: Interest on U.S. government obligations

Enter the amount of the PE's interest income derived from U.S. government obligations, to the extent included in federal income, that federal law prohibits states from taxing, for example, all U.S. government bond interest such as Savings Bonds Series EE and Series HH or U.S. Treasury bills and notes.

Do not enter the amount of interest earned on 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 interest is taxed by Connecticut. See **Policy Statement 2005(2)**, *Connecticut Income Tax on Bonds or Obligations Issued by the United States Government, by State Governments, or Municipalities*.

### Line 9: Exempt dividends from certain qualifying mutual funds derived from U.S. government obligations

Enter the amount of the PE's exempt dividends received from a qualifying mutual fund and 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 the PE by the mutual fund.

Do not enter the amount of 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 \$100 distribution, 55% is attributable to U.S. Treasury bills and 45% to other investments. The amount reported on Line 8 is \$55.

### Line 10: Certain expenses related to income exempt from federal tax but subject to Connecticut tax

Enter the amount of the PE's interest expense on money borrowed to purchase or carry bonds or securities, whose interest income is subject to Connecticut tax but exempt from federal tax, provided this interest was a business expense for the federal taxable year and was not deducted in determining the PE's income.

### Line 11: 25% of Section 168(k) federal bonus depreciation added back in preceding four years

Enter 25% of the Section 168(k) deduction that was added back by the PE in the four preceding taxable years.

In Column D, do not apportion using the current year's apportionment fraction. Enter 25% of the Connecticut source portion of the Section 168(k) deduction that was Form CT-PET Instructions (New 12/24)

added back by the PE on Form CT-1065/CT-1120SI in the four preceding years.

### Line 12: 25% of Section 179 federal deduction added back in preceding four years

Enter 25% of Section 179 deduction that was added back by the PE in the four preceding years.

In Column D, do not apportion using the current year's apportionment fraction. Enter 25% of the Connecticut source portion of the Section 179 deduction that was added back by the PE on Form CT-1065/CT-1120SI in the four preceding years.

### Line 13: Ordinary and necessary business expenses for taxpayers licensed under Chapter 420f or 420h that are not claimed for federal income tax purposes

For corporations that are licensed under Chapter 420f or 420h of the Connecticut General Statutes, enter the amount of ordinary and necessary business expenses allowed under IRC § 162 in determining the Connecticut corporation business tax liability.

### Line 14: Other

Report the amount of the PE's subtractions not listed on Lines 7 through 13. For example, include the amount of:

- Any gain recognized on the sale or exchange of bonds or other obligations issued by the State of Connecticut or its municipalities;
- Interest income from federally taxable Connecticut bonds include 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 political subdivision, and only to the extent the credit amount is treated as interest includible in gross income for federal purposes;
- The PE's share of any negative Connecticut fiduciary adjustment received from a trust or estate of which the PE is a beneficiary;
- Business expenses incurred in connection with the income or property held to produce income subject to Connecticut tax but exempt from federal tax provided these expenses were not deducted in determining PE income;
- Amortization of bond premium on any bond that provides interest income taxable in Connecticut but exempt from federal tax provided this amortization was business expense for the taxable year and was not deductible in determining PE income;
- Subtract contributions made to an MRA established pursuant to Conn. Gen. Stat. § 32-9zz; **and**
- Bioscience Venture Capital Subtraction as calculated on **Schedule CT-BIO**, *Bioscience Worksheet*.

## Part 4 – Member Information

All PEs must complete this schedule.

Complete Part 4 for all members. If there are more than four members, use **Form CT-PET, Supplemental Attachment**.

Assign each member a number and a member type code and list in sequential order. **Each member must be assigned the same “Member #” throughout the return and attachment(s).**

	Member Type Code
1. Nonresident or part-year resident individual	NI
2. Nonresident or part-year resident trust	NT
3. Nonresident estate	NE
4. Pass-through entity	PE
5. Resident individual	RI
6. Resident trust	RT
7. Resident estate	RE
8. Corporate member	CM

Use corporate member code for each member which is a: C corporation for federal income tax purposes, LLC which has elected to be taxed as a C corporation for federal income tax purposes, real estate investment trust, real estate mortgage investment conduit, regulated investment company, individual retirement account described in 26 U.S.C. § 408(a), trust described in 26 U.S.C. § 401(a), or organization exempt from federal income tax (including organizations described in 26 U.S.C. § 501(c) or (d)).

Use the code RI or NI for each member who is a grantor trust. Use RI if the grantor is a Connecticut resident. Use NI if the grantor is a nonresident.

Enter each member’s name and address, Member Type Code, FEIN or SSN (whichever is applicable), and percentages of distributive share of Connecticut source income or loss, and capital ownership. Enter as a decimal and carry to six places.

Distributive share percentage reported in this Part represents the percentage of Part 3, *Schedule A*, Line 18, Column D attributable to each respective member. This percentage is used to determine the PE Tax credit available to each member. If Part 3, *Schedule A*, Line 18, Column D is negative or a member receives an overall distributive loss, the percentage may be negative. The sum of the distributive share percentages of all members must equal 100% (1.000000).

For S corporations, each member’s distributive share percentage should be the same as the capital ownership percentage.

	Share of Part 3, Schedule A, Line 18, Column D	Distributive Share Percentage of Income/(Loss)
Member A	\$ 100	0.100000
Member B	\$ 200	0.200000
Member C	\$ 700	0.700000
<b>Total</b>	<b>\$ 1,000</b>	<b>1.000000</b>

	Share of Part 3, Schedule A, Line 18, Column D	Distributive Share Percentage of Income/(Loss)
Member E	\$ 100	0.100000
Member F	\$ (200)	-0.200000
Member G	\$ 1,100	1.100000
<b>Total</b>	<b>\$ 1,000</b>	<b>1.000000</b>

	Share of Part 3, Schedule A, Line 18, Column D	Distributive Share Percentage of Income/(Loss)
Member H	\$ 350	-0.700000
Member I	\$ 250	-0.500000
Member J	\$ (1,100)	2.200000
<b>Total</b>	<b>\$ (500)</b>	<b>1.000000</b>

### Signature

Amended Form CT-PET or returns filed by taxpayers that were granted a waiver from electronically filing, must be signed by a general partner or corporate officer. Provide a telephone number.

### Paid Preparer Signature

A paid preparer must sign and date Form CT-PET. Paid preparers must also enter their Preparer Tax Identification Number (PTIN), their firm’s Federal Employer Identification Number (FEIN), and their firm’s address and telephone number in the spaces provided.

### Paid Preparer Authorization

If the PE wishes to authorize DRS to contact the paid preparer who signed the 2024 tax return to discuss it, check the **Yes** box in the signature area of the return. This authorization applies only to the individual whose signature appears in the paid preparer’s signature section of the return. It does not apply to the firm, if any, shown in that section.

If the **Yes** box is checked, the PE authorizes DRS to contact the paid preparer to answer questions that may arise during the processing of the 2024 Form CT-PET. The PE also authorizes the paid preparer to:

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

The PE is not authorizing the paid preparer to receive any refund check, bind the PE to anything (including additional tax liability), or otherwise represent the PE before DRS. The authorization cannot be revoked. However, the authorization will automatically end no later than the due date (without regard to extensions) for filing the 2025 Connecticut Pass-Through Entity Tax Return. This is on or before the fifteenth day of the third month following the close of the taxable period.

Keep a copy of this return for the PE’s record.