



STATE OF CONNECTICUT

TAX TOPICS

DEPARTMENT OF REVENUE SERVICES

JULY 2024 VOLUME 1 NO. 3



Inside this Edition

This quarterly edition of "Tax Topics" covers the quarter from April through June of 2024. During that time, the General Assembly concluded its regular session. As such, this edition will provide an overview of legislation that impacted the DRS and the taxpayers of this state. In addition, as we work our way through spring and into the summer months, this edition will provide some helpful reminders about the tax consequences associated with activities that occur and businesses that operate during the summer season. Finally, this edition will provide an overview of a new and exciting addition to the services available to taxpayers and practitioners here at DRS.

How to Get Assistance

Business Address:

450 Columbus Blvd, Ste 1
Hartford, CT 06103

Business Hours:

Monday through Friday, between
8:30 a.m. and 4:30 p.m.

Phone:

800-382-9463 (CT only)

860-297-5962

860-297-4911 (TTY, TDD and Text
Telephone users only)

Email: DRS@ct.gov

Website: portal.ct.gov/DRS

In-Person Assistance:

- Remote videoconferencing via the Microsoft Teams platform.
- In-person meetings with a Department professional at the 450 Columbus Blvd, Hartford, CT location.
- To schedule an appointment, taxpayers should contact the Department's Taxpayer Contact Center at DRS@ct.gov.

★ LEGISLATIVE HIGHLIGHTS ★



The 2024 legislative session convened February 6, 2024, and adjourned May 8, 2024.

By way of an overview, although the General Assembly did not pass a significant amount of tax related legislation during the 2024 session, it did enact legislation that impacted several of the taxes administered by the DRS.

To that end, the General Assembly enacted legislation that modified various provisions of the corporation business tax, including provisions governing net operating losses. The General Assembly also enacted legislation that impacts the issuance of certain licenses under the State's cigarette tax statutes. In addition, the General Assembly also modified the State's income tax statutes, including legislation that simplifies withholding on various pension and annuity payments.

For a more detailed overview of tax related legislation enacted during the 2024 regular session of the Connecticut General Assembly, please visit portal.ct.gov/drs/miscellaneous-taxes/other-tax-page/state-tax-developments/2024-developments.

The Department Announces New Constituent Service Unit

The Department of Revenue Services (DRS) is committed to providing outstanding customer service to taxpayers and practitioners. As part of this commitment, the DRS reconstituted its Taxpayer Services Division in early 2021.

The Constituent Services Unit was added to the Education and Outreach Unit within the Taxpayer Services Division and will be under the direction of Ernest Adamo, Tax Unit Manager. The Constituent Services Unit was formed to help taxpayers and their practitioners understand their rights and responsibilities under the law. To that end, any taxpayer or practitioner who has an issue with the DRS may contact the Constituent Services Unit, which will review the issue to determine whether all statutory and any associated procedural requirements were properly applied and followed by DRS.

More information is available here: [Constituent Services Unit page](#)

SEASONAL BUSINESSES



The beginning of summer typically kicks off the season for craft shows, antique shows, farmers markets, flea markets and fairs! Vendors that plan on selling goods need to register with the Department for a Sales and Use Tax Permit. Once a Sales and Use Tax Permit has been obtained, it must be visibly displayed at all times.

Tag Sales:

It's time to declutter your property...what better time than now to have a tag sale! Individuals that are planning to have a tag sale should know that they may not need to obtain a Sales and Use Tax Permit if they are engaging in occasional or casual sales.

One, two, or three tag sales per season is generally not considered to be a trade or business. However, to the extent an individual engages in a trade or business, a Sales and Use Tax Permit is required.

Farmers:

Farmers who sell goods should register for a Sales and Use Tax Permit. Goods commonly sold by farmers on which tax should be collected include plants, trees, seeds, hay, feed, mulch, fertilizer (including manure), livestock (including horses), poultry, rabbits, Christmas trees (living or cut), wreaths, decorated or carved pumpkins and flowers.

Sales and use taxes do not apply to the sales by farmers of food products including maple syrup, honey, milk, eggs, cider, vegetables, and fruit.

A Farmer Tax Exemption Permit may be used to purchase goods that will be used exclusively in the agricultural production process. To register for a Farmers Tax Exemption Permit, complete **Form REG-8, Application for Farmer Tax Exemption Permit**. For more information, see [Informational Publication 2021\(2\), Farmer's Guide to Sales and Use Taxes, Motor Vehicle Fuels Tax, Estimated Income Tax, and Withholding Tax](#).

Cookouts:

Fire up those grills and let's start cooking! Keep in mind that cooking fuels are not subject to sales and use tax as long as these fuels are used for domestic cooking. However, lighter fluid remains subject to sales and use tax.

Mark Your Calendars! Sales Tax Free Week



This year is Connecticut's 24th Annual Sales Tax Free Week, which begins on Sunday, August 18, 2024, through Saturday, August 24, 2024. During the one-week period, sales or purchases of clothing or footwear costing less than \$100 per item are not subject to Connecticut sales and use taxes. For additional information, visit the Department's home page: portal.ct.gov/DRS.

NEW BUSINESS RESOURCE CENTER



The Department of Revenue Services has recently launched its New Business Resource Center. This site is intended for new business owners to find helpful information and everything they need to meet their Connecticut tax obligations.

In addition to explaining state tax obligations for new businesses, this site also provides in-depth information and other educational resources for any business owner whether they are self-employed, an independent contractor, or a business with employees.



Visit the New Business Resource Center: portal.ct.gov/drs-businesscenter

EDUCATION & OUTREACH PUBLIC EVENTS



Upcoming Public Webinar

A business withholding tax webinar will be hosted on July 24, 2024, on the Microsoft Teams live events platform. Any employer who has employees is encouraged to attend!

Please see the [Taxpayer Education Center](#) page to register for the upcoming business withholding tax webinar or to view recordings of previous webinars.

Stay tuned for more!

UPCOMING TAX RETURN FILING AND PAYMENT DUE DATES

Alcohol Beverage/Distributor Tax:

Form O-255, Wholesale Alcoholic Beverages Tax Return, must be filed no later than the last day of the month following the period for which the return is being filed.

Beverage Container Deposit:

Form OP-515, Beverage Container Deposit Report, must be filed on or before the last day of the month following the quarter.

Cigarette Tax:

Resident and Nonresident distributors must file **Form CT-15, Connecticut Monthly Tax Stamp and Cigarette Report - Resident Distributor** and/or **Form CT-15A, Connecticut Monthly Tax Stamp and Cigarette Report - Nonresident Distributor**, no later than the twenty-fifth day of the month following the month for which the report is made.

Petroleum Products Gross Earnings Tax:

Form OP-161, Petroleum Products Gross Earnings Tax Return, must be filed on or before the last day of the month following the quarter.

Prepaid Wireless E-9-1-1 Fee:

Form OP-153, Prepaid Wireless E 9-1-1 Fee Return Enhanced Emergency 9-1-1 Program, is due on or before the last day of the month following the end of the filing period. The filing period is the same as for sales and use tax except annual filers must file Form OP-153 quarterly.

For more information, visit portal.ct.gov/drs/businesses/new-business-portal/for-businesses.



Sales and Use Tax:

Form OS-114, Connecticut Sales and Use Tax Return, to report all sales activity in Connecticut, even if no sales were made or no tax is due. Both taxable and nontaxable sales must be reported in accordance with monthly, quarterly, or annual filing frequency assigned by the Department. Form OS-114 is due on or before the last day of the month following the end of the filing period.

Special Fuel Tax:

Form OP-216, Special Fuel Tax Return, must be filed on or before the twenty-fifth day of the month following the end of the filing period.

Withholding Tax (Employers):

Wage Withholding - **Form CT-941, Connecticut Quarterly Reconciliation of Withholding**, must be filed on or before the last day of the month following the quarter.

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Prepared by the Education & Outreach Unit



Working in Partnership Together With You

This newsletter is intended to provide general information for taxpayers and tax practitioners. It is not intended to explain in depth current Department policy or practice. The information contained in the newsletter is not intended to supersede, alter, or otherwise change provisions of the Connecticut General Statutes, regulations, Department rulings, or tax guidance.