

TSSB 2025-4
TAXPAYER SERVICES SPECIAL BULLETIN

DRS Provides Filing Season Update
Options Available to File Form CT-1065/CT-1120SI and Form CT-PET

Purpose: The purpose of this Announcement is to provide taxpayers and practitioners with an update as to the availability of the composite income tax return and the pass-through entity tax return for the taxable year starting January 1, 2024. As explained herein, these forms are currently available in and may be filed through the Department's on-line portal (**myconneCT**).

As taxpayers and practitioners are aware, the General Assembly made fairly significant changes to the pass-through entity tax (PET). Most significantly, the General Assembly made the PET an elective tax starting January 1, 2024. In addition, the General Assembly also reinstated the composite income tax. Under current law, all pass-through entities are required to file a composite income tax return for the taxable years starting on and after January 1, 2024. Thus, in order to comply with these legislative mandates, the Department was required to develop two new and separate returns.

To that end, the newly re-enacted composite income tax will be reported using **Form CT-1065/CT-1120SI**, *Connecticut Composite Income Tax Return*. Although the **Form CT-1065/CT-1120SI** was previously utilized in connection with the PET, it will no longer be used for PET purposes. Rather, beginning with the taxable year starting January 1, 2024, any pass-through entity that elects to file and pay the PET will be required to file **Form CT-PET**, *Connecticut Pass-Through Entity Return*. Recognizing the upcoming due date for these returns, the Department wants to make sure taxpayers and practitioners are aware of the options currently available to them for filing these returns.

As of the date of this publication, **Form CT-1065/CT-1120SI** and **Form CT-PET** are currently available in and may be filed using the Department's on-line portal (**myconneCT**). Additionally, taxpayers and practitioners also have the option to request an extension of time to file these returns through **myconneCT**.

Like the **Form CT-1065/CT-1120SI** and **Form CT-PET**, taxpayers and practitioners may also file an extension of time to file these returns through myconneCT. If taxpayers or practitioners prefer to use third party software to file **Form CT-1065/CT-1120SI** and **Form CT-PET**, they may wish to consider filing an extension thereby giving them the opportunity to file said returns once they are made available by their preferred software provider.

Additionally, and although electronic filing and payment is certainly the preferred methodology for the vast majority of taxpayers and practitioners, it is worth noting that filing a paper return is a viable option for both the **Form CT-1065/CT-1120SI** and/or **Form CT-PET** for the taxable year commencing January 1, 2024. To that end, paper versions of both forms are available on the Department's website in **myconneCT**. Any taxpayer or practitioner who decides to file a paper **Form CT-1065/CT-1120SI** and/or **Form CT-PET** should simply download the appropriate return(s), complete it by hand, and mail it to the Department at the following address:

Department of Revenue Services
450 Columbus Boulevard, Suite 1
Hartford, Connecticut 06103
Attention: Composite or PET Return enclosed

Note: Given the circumstances surrounding the enactment of these taxes, paper returns will be accepted and no compliance penalties will be imposed.

The Department will provide additional updates as to the progress the various software companies are making with regard to incorporating **Form CT-1065/CT-1120SI** and/or **Form CT-PET** into the various tax preparation software. In the interim, if taxpayers and practitioners have questions about the composite income tax or the PET, the

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Department has developed a series of webinars regarding these taxes. These webinars will take place on the following dates and times:

- Part 1 - Friday, January 24, 2025, 10:00 a.m. (Recording available on the Department's website)
- Part 2 - Friday, February 7, 2025, 10:00 a.m. (Recording available on the Department's website)
- Part 3 - Friday, February 21, 2025, 10:00 a.m.
- Part 4 - Friday, March 7, 2025, 10:00 a.m.

For additional information regarding the composite income tax and the PET, taxpayers and practitioners are encouraged to visit the Department's website at portal.ct.gov/DRS.

Effective Date: Upon issuance.

Effect on Other Documents: None.

For the Latest News: Visit the DRS website at portal.ct.gov/DRS.

E-Services Update

Use **myconneCT** to file taxes, make payments, view filing history, and communicate with the agency simply and more efficiently on virtually any mobile device, including laptops, tablets, and smartphones, 24 hours a day, 7 days a week. For updated information, please visit the DRS website at portal.ct.gov/DRS-myconneCT.

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