CONNECTICUT
Revenue Services
FY 24-25 Annual Report








A MESSAGE FROM COMMISSIONER MARK D. BOUGHTON
January 2026

I'm pleased to present the Annual Report of Taxes and Fees collected by the Connecticut Department of Revenue Services (DRS) during the 2024-25 fiscal year. Our report provides a comprehensive overview of the revenue DRS collected, thanks to the tireless efforts of our dedicated staff. Our agency reached significant milestones this year as we focused on our most important mission: Achieving the highest level of taxpayer compliance and contributing to Connecticut's fiscal and economic well-being.

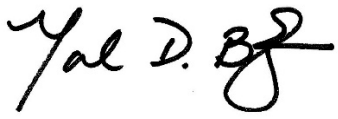
Our Education and Outreach team continues to set the bar higher with a singular goal in mind: Meeting Connecticut taxpayers where they are. We've expanded upon our popular webinar series and served thousands of residents in the process. Additionally, we've expanded our in-person outreach to libraries and senior centers. We encourage folks to reach out to us if you'd like our expertise in your community. Email DRS.EducationandOutreach@ct.gov to set up a visit.

Technology is at the forefront of what we do, and we're proud to offer the very best in customer service via our myconneCT portal. This year, we launched our new eAssistant, which provides 24/7 support for taxpayers to get quick answers to their questions. Accessing information from a database, the eAssistant provides step-by-step instructions on topics like obtaining the status of a refund, how to file state tax returns, and how to make tax payments. It's another example of our commitment to outstanding customer service.

Our agency is guided by data-driven decisions. That's why I'm proud of our partnership with the state legislature to produce several reports that we hope will help guide lawmakers in crafting state tax policy. During the past fiscal year, these reports include the state's first-ever tax gap report as well as our recommendations to mitigate the tax gap. Both documents are available on our Statutory Reports page.

I hope the information contained in the Annual Report is helpful and informative. Should anyone have questions regarding the report, my staff and I are ready to assist.

Sincerely,



Mark D. Boughton
Commissioner, Connecticut Department of Revenue Services

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For a listing of the 2025 Legislative Summary, visit the 2025 Connecticut State Tax Developments on the DRS website.

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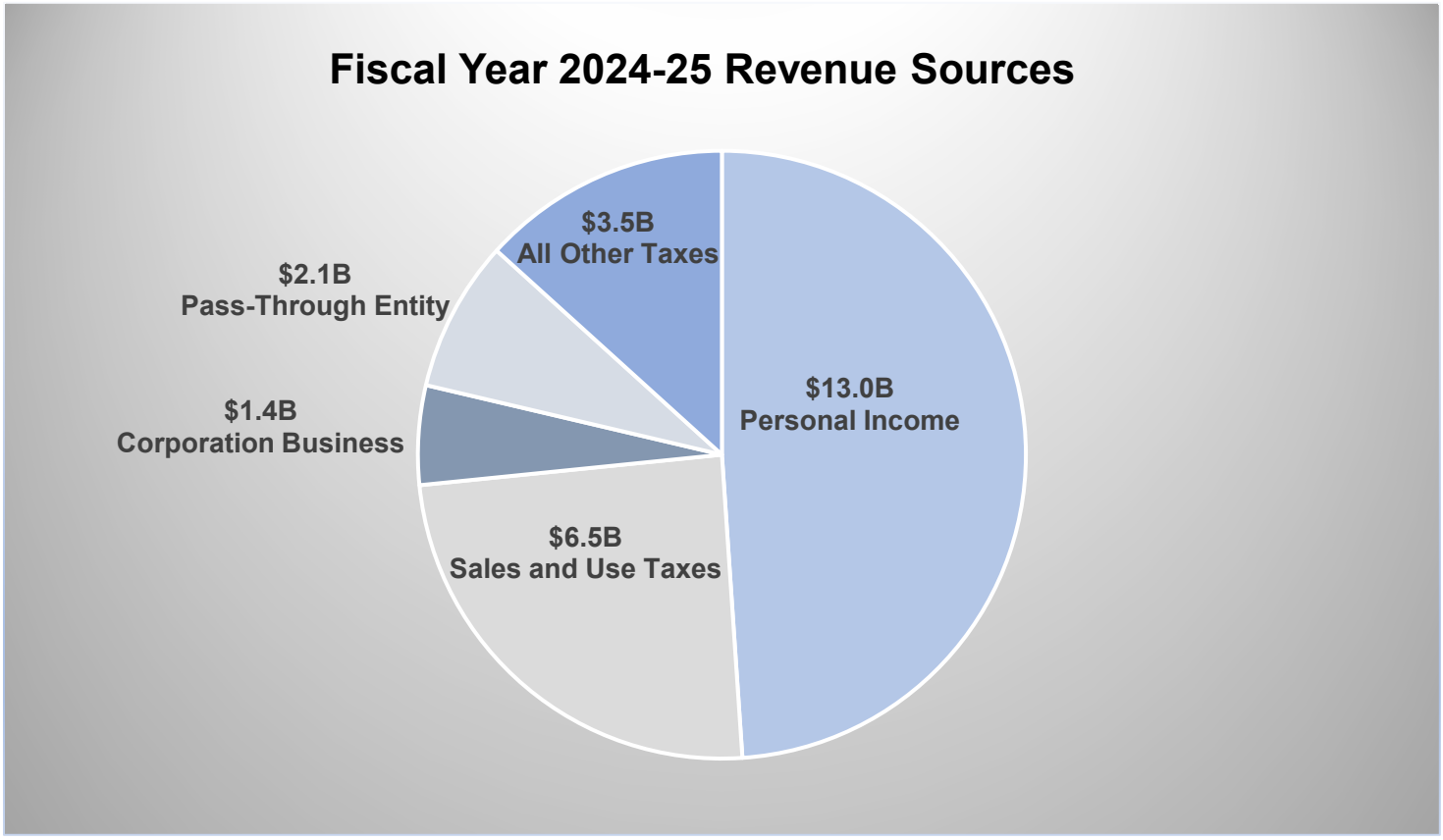
CONNECTICUT
Revenue Services

OUR MISSION

The mission of the Department of Revenue Services is to instill public confidence in the integrity and fairness of tax collection; achieve the highest level of voluntary taxpayer compliance; continuously improve agency performance; contribute to the fiscal and economic well-being of the state; and provide a positive and professional workplace.

CONNECTICUT'S TAXES AND FEES

The Department of Revenue Services collected nearly $26.5 billion in state taxes for Fiscal Year 2024-25. The Personal Income, Pass-Through Entity, Sales and Use, and Corporation Business Taxes comprised 87% of all collections.



STATE REVENUE SOURCES

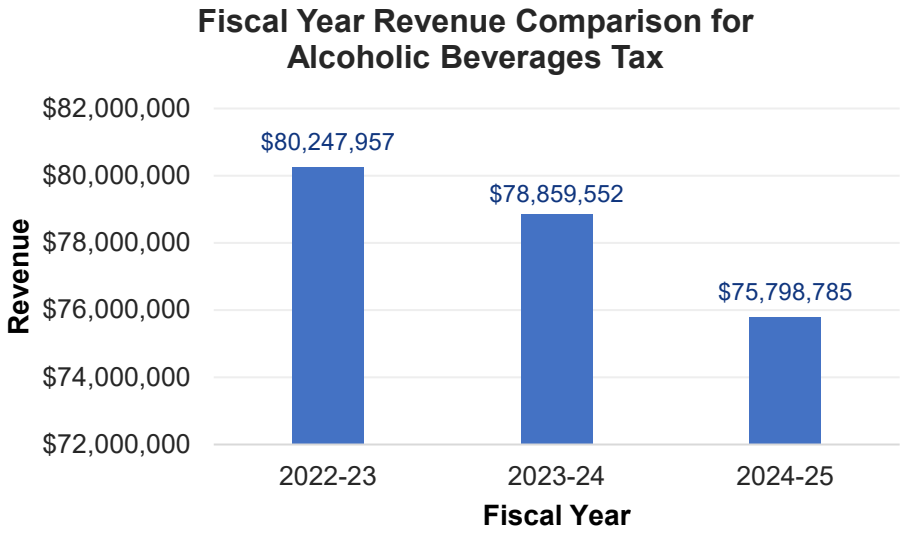
	FY 2022-23	FY 2023-24	FY 2024-25
Alcoholic Beverages Tax *Ch. 220*	$80,247,957	$78,859,552	75,798,785
Ambulatory Surgical Centers *Ch. 211a (repealed)*	0	-215	0
Attorney Occupational Tax *Ch. 876*	9,322,121	8,691,039	9,408,518
Beverage Container Deposits *Ch. 446d*	52,584,520	42,981,924	28,281,453
Business Entity Tax *Ch. 213a (repealed)*	-6,863,524	888,379	-686,027
Cable, Satellite & Video Companies Tax *Ch. 211*	49,226,215	35,555,237	29,731,253
Cannabis Tax, *Ch. 214c*	4,675,642	20,509,089	22,657,073
Cigarette Tax *Ch. 214*	268,003,557	233,208,865	217,810,398
Composite Income Tax	0	0	236,051,560
Controlled Substances Tax *Ch. 228d*	916	-354	0
Controlling Interest Transfer Tax *Ch. 228b*	9,595,329	15,551,088	6,602,565
Corporation Business Tax *Ch. 208* and Air Carriers Tax *Ch. 209*	1,519,011,011	1,551,647,724	1,399,096,398
Dry Cleaning Surcharge *Ch. 211b*	542,984	546,278	589,332
Dues Tax *Ch. 225* and Transportation Network Company Fee *Ch. 244b*	45,959,625	45,649,753	50,978,634
Electric Distribution Companies *Ch. 212*	149,579,820	237,946,264	234,557,976
Electronic Cigarette Products *Ch. 214b*	6,181,983	5,702,326	5,209,995
Estate and Gift Tax *Ch. 217& 228c*	218,354,438	129,550,468	146,122,810
Gas Companies *Ch. 212*	90,207,200	72,970,332	80,215,019
Gift Tax *Ch. 228c (repealed)*	41,392	457,202	37,692
Health Care Centers Tax *Ch. 207*	3,401,206	2,249,237	1,635,982
Health Care Provider Taxes and Fees *Ch. 211c*	900,978,299	881,494,425	909,887,730
Highway Use Fee *Ch. 222a*	29,275,901	60,283,621	59,939,588
Income Tax *Ch. 229*	11,231,163,886	11,803,356,423	12,963,280,642
Insurance Premiums Tax, Domestic *Ch. 207*	47,897,022	49,320,976	56,206,379
Insurance Premiums Tax, Foreign *Ch. 207*	192,717,482	189,473,363	206,160,474
Insurance: Non-admitted/Unauthorized *Ch. 698d*	10,288,462	11,925,688	10,975,608
Motor Carrier Road Tax - *Ch. 222*	9,893,330	8,263,239	8,453,068
Motor Vehicle Fuels Tax - Gasoline *Ch. 221*	118,263,374	362,800,019	362,876,371
Motor Vehicle Fuels Tax - Special Fuel *Ch. 221*	135,366,064	133,879,214	142,847,638
Paid Preparer Fee *Ch. 229*	92,159	76,294	96,841
Pass-Through Entity *Ch. 228z*	2,049,126,696	1,964,823,852	2,130,746,893
Petroleum Products Gross Earnings Tax *Ch. 227*	392,055,527	358,582,031	298,009,821
Prepaid Wireless E-9-1-1 Fee *Ch. 518a*	2,976,381	2,679,283	3,286,853
Public, Educ. & Gov. Programming Tax *Ch. 289*	2,825,522	2,573,751	3,074,297
Railroad Companies Tax *Ch. 210*	474,393	494,799	384,952
Real Estate Conveyance Tax *Ch. 223*	277,596,745	269,009,703	290,364,995

STATE REVENUE SOURCES (cont.)

	FY 2022-23	FY 2023-24	FY 2024-25
Rental Surcharge *Ch. 228h*	453,287	382,496	494,903
Sales and Use Taxes *Ch. 219*	6,139,326,121	6,427,034,943	6,484,159,445
Solid Waste Tax *Ch. 446d*	4,165,274	1,677,334	-110,298
Succession Tax *Ch. 216 (repealed)*	180,247	6,224	60,988
Tobacco Products Tax *Ch. 214a*	17,963,925	14,258,719	12,023,595
Tourism Surcharge *Ch. 228e*	4,630,454	5,037,691	5,272,771
Unrelated Business Income Tax *Ch. 208a*	5,032,297	3,017,641	4,124,637
Total	**$24,072,815,242**	**$25,033,415,914**	**$26,496,717,606**

ALCOHOLIC BEVERAGES TAX
Connecticut General Statutes
Chapter 220

A tax is imposed on all distributors of alcoholic beverages on the sale of alcoholic beverages within Connecticut. Distributors must report the total number of gallons of each alcoholic beverage sold during the month, the opening and closing inventories and the amount of tax due. Sales of alcoholic beverages are also subject to the Sales and Use Tax. See Alcoholic Beverage Tax Information on the DRS website.



Basis and Rate

	Effective July 1, 2023
Beer	$6.00 per barrel (31 gallons)
Beer	20¢ per gallon*
Cider	$7.92 per barrel
Cider	26¢ per gallon
Still Wines	79¢ per gallon
Small Wineries	20¢ per gallon
Sparkling Wines	$1.98 per gallon
Alcohol	$5.94 per proof gallon
Distilled Liquor	$5.94 per gallon
Liquor Coolers	$2.71 per gallon

*The tax rate for beer is reduced by 50% for beer sold for off-premises consumption on the premises of an entity covered by a manufacturer's permit.

ALCOHOLIC BEVERAGES TAX (cont.)

Number of Taxpayers / Filing Frequency

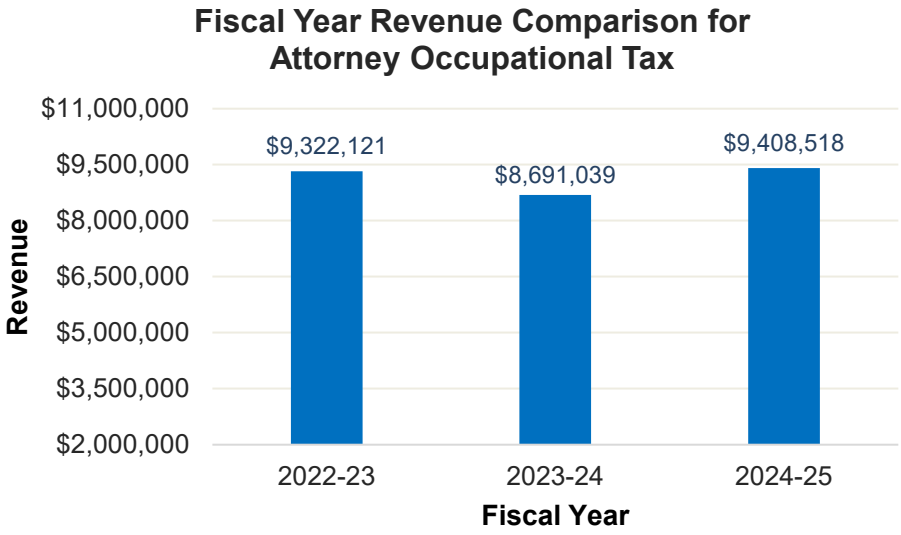
- 1,135 distributors / Monthly

Comparison of Gallonage

Type of Alcoholic Beverage	FY 2022-23 (gallons)	FY 2023-24 (gallons)	FY 2024-25 (gallons)
Beer – barrels	142,946	141,315	133,904
Beer – gallons	45,118,983	41,969,162	39,834,175
Cider – barrels	4,230	4,684	2,519
Cider – gallons	565,515	538,284	558,144
Still Wine	11,387,945	10,863,047	10,287,939
Small Wineries	271,968	297,451	291,603
Sparkling Wine	891,348	850,409	850,006
Alcohol	81,886	73,628	92,207
Distilled Liquor	8,605,491	8,460,602	8,173,516
Liquor Coolers	2,055,689	2,438,700	2,887,555

ATTORNEY OCCUPATIONAL TAX
Connecticut General Statutes
Chapter 876

An occupational tax is levied against any person who has been admitted as an attorney by the judges of the superior court, and who is engaged in the practice of law in Connecticut. See Attorney Occupational Tax Information on the DRS website.



Basis and Rate

$565 per practicing attorney.

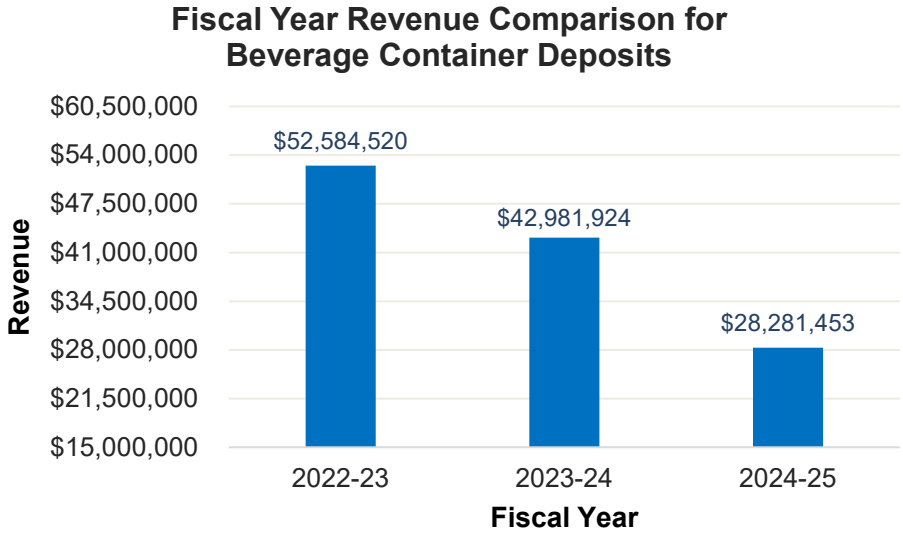
Number of Taxpayers / Filing Frequency

14,001 Attorneys / Annually

BEVERAGE CONTAINER DEPOSITS
Connecticut General Statutes
Chapter 446d

In Connecticut, deposit initiators – including certain distributors and manufacturers – are responsible for collecting a refundable deposit on each beverage container sold within the state under the Connecticut Bottle Bill. For more information on the state bottle bill, see the Bottle Bill FAQ on the DEEP website.

Deposit initiators must maintain a special bank account to hold the collected deposits. After refunds are issued to customers and any applicable bank fees are deducted, the remaining balance is considered the unclaimed deposit amount. Each deposit initiator is required to file a quarterly report and remit a portion of the unclaimed deposit amount to the state.



Basis and Rate

Effective January 1, 2024, Conn. Gen. Stat. § 22a-244 increased the beverage container deposit amount from 5¢ to 10¢.

For the fiscal year ending June 30, 2025, deposit initiators were required to remit 50% of the outstanding account balance to the state.

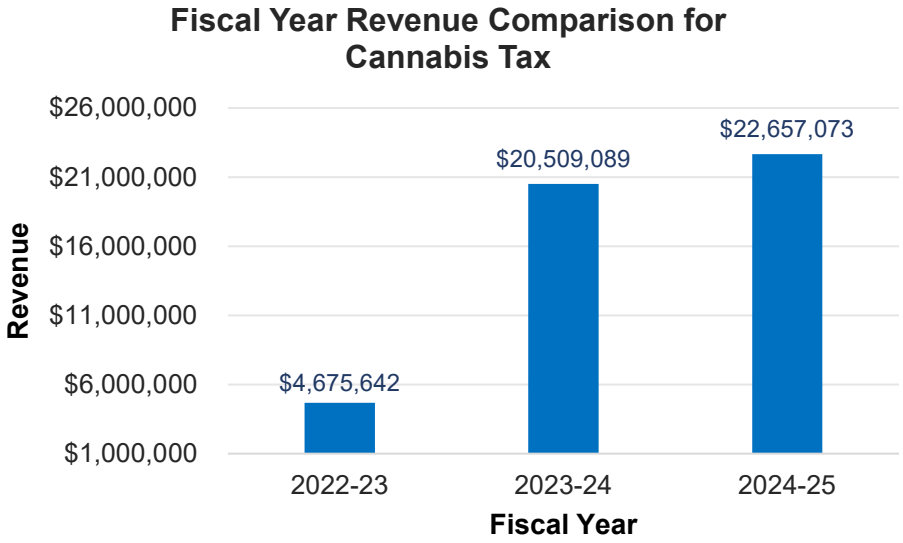
Number of Taxpayers / Filing Frequency

199 Entities / Quarterly

CANNABIS TAX
Connecticut General Statutes
Chapter 214c

Conn. Gen. Stat. § 12-330ll established a state cannabis tax structured around the amount of THC per milligram of certain products. The statewide cannabis tax is paid by the consumers at cannabis retailers, hybrid retailers, or micro-cultivators and applies to the retail sale of cannabis plant materials, cannabis edible products, and other cannabis products. Additionally, each Connecticut municipality is responsible for collecting a 3% municipal cannabis tax on the gross receipts from the sale.

Retail sales of cannabis are subject to the Sales and Use Tax. See Cannabis Tax Information on the DRS website.



Basis and Rate

The statewide Cannabis Tax rates imposed on each cannabis retailer:

- **Cannabis Plant Materials:** $0.00625 per milligram of total THC, as reflected on the product label;
- **Cannabis Edible Products:** $0.0275 per milligram of total THC, as reflected on the product label; and
- **All Other Cannabis Products, not including cannabis plant material or cannabis edible products:** $0.009 per milligram of total THC, as reflected on the product label.

CANNABIS TAX (cont.)

Number of Taxpayers / Filing Frequency

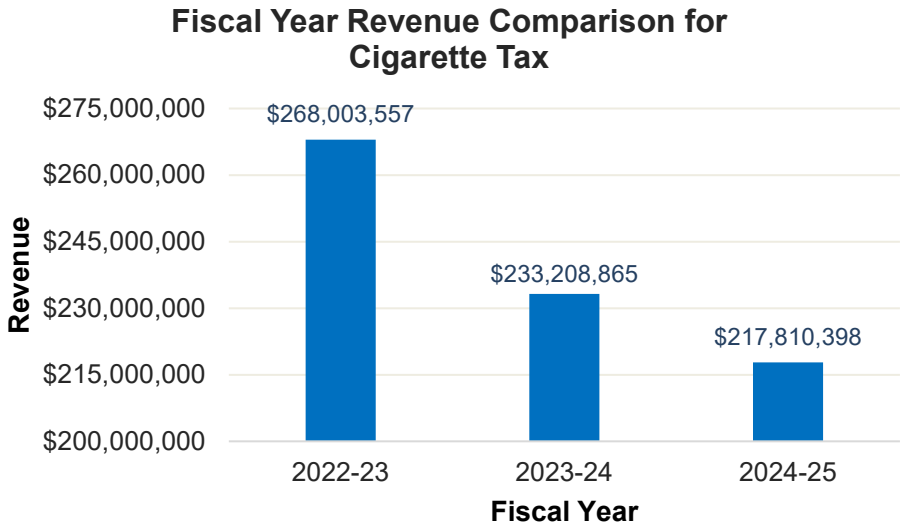
68 taxpayers / Monthly

Fiscal Year Cannabis Tax Liability

Fiscal Year	Tax from Plant Materials	Tax from Edible Products	Tax from Other Cannabis Products
FY 2024-25	$11,639,108	$3,099,604	$7,875,183
FY 2023-24	10,196,806	2,321,305	6,132,412
FY 2022-23	3,716,959	615,340	1,711,227

CIGARETTE TAX
Connecticut General Statutes
Chapter 214

An excise tax is imposed on all cigarettes sold in Connecticut. Payment is indicated by affixing stamps or heat-applied decals to each pack of cigarettes, which are sold to licensed dealers and distributors. Sales of cigarettes are subject to the Sales and Use Tax. For more information on the Cigarette Tax, see the Cigarette Stamp Reports on the DRS website.



Basis and Rate

217.5 mills per cigarette or $4.35 per pack of twenty.

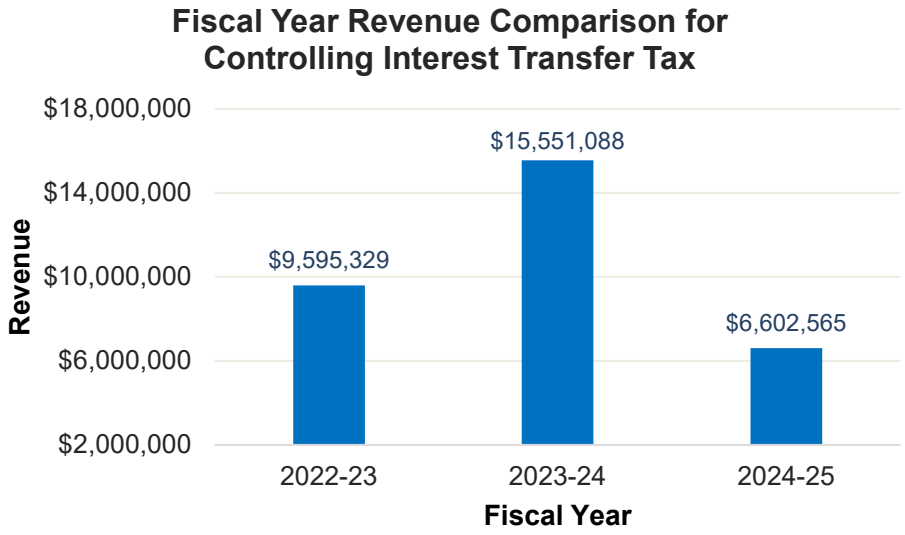
Number of Taxpayers / Filing Frequency

16 taxpayers / Monthly

Note: The tax is reduced by 50% for any product the Secretary of the United States Department of Health and Human Services determines to be a "modified risk tobacco product" pursuant to 21 U.S.C. § 387k. No modified risk tobacco products were sold during Fiscal Year 2024-25.

CONTROLLING INTEREST TRANSFER TAX
Connecticut General Statutes
Chapter 228b

A tax is imposed on the transfer of a controlling interest in a corporation, partnership, association, trust or other entity, where an entity owns an interest, directly or indirectly, in Connecticut real property with a value of at least $2,000. In a corporation, "controlling interest" means more than 50% of the combined voting power of all classes of stock in the corporation. For all other entities, "controlling interest" is an amount greater than 50% of the capital, profits, or beneficial interest in that entity. See Controlling Interest Tax Information on the DRS website.



Basis and Rate

1.11% of the present true and actual value of the interest in the real property possessed on sales or transfers of a controlling interest.

An additional tax may be levied, varying between 1% and 10%, on the value of open space land, farmland, forestland, and maritime heritage land, depending on the year in which the controlling interest was transferred.

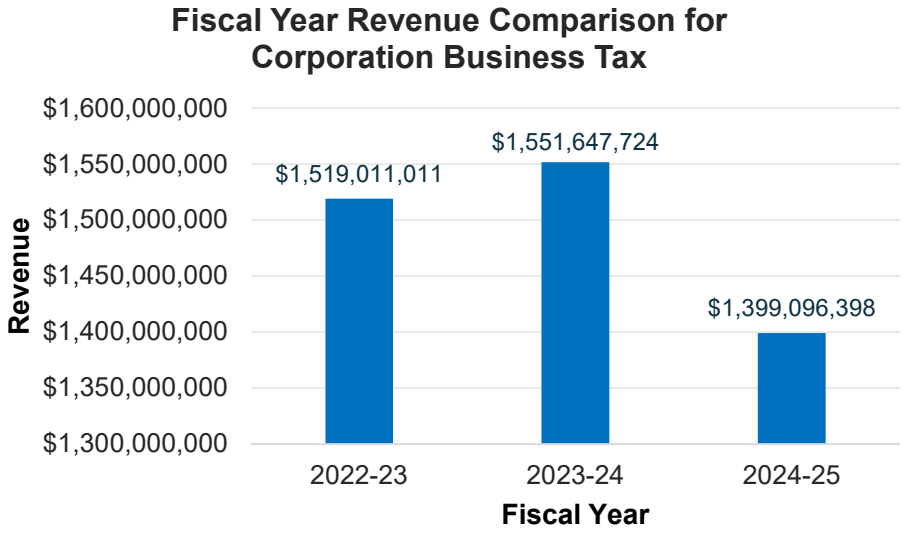
Filing Frequency / Number of Taxpayers

The month following the month in which the transfer was made.
55 transfers in FY 2024-25.

CORPORATION BUSINESS TAX
Connecticut General Statutes
Chapter 208

A corporation carrying on or doing business in Connecticut is subject to the Corporation Business Tax. Most corporations in Connecticut must file returns and pay corporation business tax although some corporations are exempt.

Corporations must calculate their tax under two alternate methods and remit the higher tax. If a corporation owes less than $250 under both methods, it pays the minimum tax of $250. See Corporation Business Tax Information on the DRS website.



Basis and Rate

Net Income Base Method

The method under which most Corporation Business Tax revenue is derived is the net income base. Corporations compute their Connecticut net income by starting with federal taxable income and then applying the adjustments allowed or required by Connecticut.

For Connecticut net income purposes, corporations must add back certain items deducted in arriving at federal taxable income, such as:

- Exempt interest income;
- State and local income taxes;
- Royalties or interest paid to a related member; **and**
- Bonus depreciation.

Certain other deductions are then allowed, such as:

- Certain dividends;
- Capital loss carryovers not deducted in computing federal gain; **and**
- Deferred cancellation of debt income.

CORPORATION BUSINESS TAX (cont.)

Companies that conduct business in multiple states are allowed to apportion their net income based upon the percentage of their sales made in Connecticut. Market-based sourcing rules consider sales of services and most intangible property to be made where the customer is located. Special apportionment rules are provided for certain industries such as financial service companies and broadcasters.

Apportioned net operating losses may be carried forward for 30 successive income years. The carryforward period for such losses had been extended from twenty (20) years to thirty (30) years, beginning in 2025. The net operating loss deduction may not exceed 50% of the taxpayer's net income.

Connecticut net income is taxed at the rate of 7.5%.

Capital Base Method

Corporations must also compute their tax under the capital base method. The capital base is the total value of the average capital stock, surplus and undivided profits, and surplus reserves, less the average values of deficits and stockholdings in private corporations. Multi-state corporations multiply their capital base by an apportionment fraction.

The capital base is taxed at a rate of 3.1 mils ($0.0031) per dollar. Under the capital base method, a corporation is limited to a maximum tax of $1,000,000. Financial service companies are excluded from the capital base method but are subject to the minimum tax. For income years beginning in 2024, the capital base tax rate is reduced from .0031 to .0026.

Corporations are subject to tax on the greater of the net income base method or the capital base method calculations.

Minimum Tax

If a corporation's calculation of the tax is less than $250 under both two previous methods, it pays a minimum tax, which is currently $250. The majority of corporations pay the minimum tax.

Surtax

For income years 2018 through 2025, corporations, other than those paying the minimum tax of $250, pay a surtax in an amount equal to 10% of the tax due before credits are applied. Corporations whose gross income is less than $100 million are exempt from the surtax unless they file as part of a combined unitary return.

The total amount of surtax reported on income year 2023 returns was $125 million.

CORPORATION BUSINESS TAX (cont.)

Combined Unitary Reporting

Commonly owned corporations that are engaged in a unitary business, where at least one corporation is subject to the Corporation Business Tax, are required to file their Corporation Business Tax returns on a combined unitary basis.

Under combined unitary filing, a combined group's tax liability, prior to surtax and credits, cannot exceed the amount calculated on a nexus combined basis by more than $2,500,000. This is referred to as the aggregate maximum tax. If the aggregate maximum tax is less than the tax on the standard combined unitary basis, the group is subject to the aggregate maximum tax. Otherwise, the group is subject to tax on the standard combined unitary basis.

Exemptions

For exemptions, see Corporation Business Tax Information, Exempt Entities, on the DRS website.

Pass-Through Entity Tax Credit

Members of a Pass-Through Entity (PE) were entitled to a credit based upon their respective shares of the PE's tax liability. A corporate member could claim the PE Tax Credit against the Corporation Business tax. For taxable years that began on or after January 1, 2019, the PE Tax Credit is 87.5% of the member's share of the PE Tax.

Beginning on or after January 1, 2024, the credit against the corporation business tax for pass-through entity tax paid by an entity on behalf of a corporate member was eliminated.

Overpayments Applied to Estimated Tax Liability

Corporations that overpaid their corporation business tax in 2023 elected either to receive a refund or to apply a portion of the overpayment toward their 2024 estimated tax liability. In total, $841,367,300 was carried forward to 2024 estimated tax.

CORPORATION BUSINESS TAX (cont.)

Filing Frequency

Annually with four estimated installments.

Number of Taxpayers

2023 Corporation Business Tax Returns

	Number of Returns	Tax Due Before Tax Credits	Business Tax Credits	Pass-Through Entity Tax Credits	Tax Due After Tax Credits
Single Filers					
Net Income	8,288	$167,259,703	$6,273,579	$8,952,736	$152,033,388
Capital Base	3,815	31,759,650	5,097,420	1,101,040	25,561,190
Minimum Tax	18,571	4,642,567	0	72,382	4,570,435
Exempt	3,657	0	0	0	0
Combined Unitary					
Net Income	3,788	1,115,962,689	155,683,787	8,406,018	951,872,884
Minimum Base	4,434	74,263,287	19,557,870	2,103,384	52,602,033
Aggregate Max.	16	116,112,363	21,667,078	921,234	93,524,051
Total	**42,624**	**$1,510,000,259**	**$208,279,734**	**$21,556,794**	**$1,280,163,981**

CORPORATION BUSINESS TAX (cont.)
2023 Corporation Business Tax Returns

	Number of Taxable Returns	Tax Due Before Tax Credits	Business Tax Credits	Pass-Through Entity Tax Credits	Tax Due After Tax Credits
11 Agric. Forestry, Fishing & Hunting	126	$1,076,529	$214,038	$8,801	$853,690
21 Mining	32	143,202	22,277	0	120,925
22 Utilities	90	8,841,469	3,218,898	40,673	5,581,898
23 Construction	2,080	14,980,051	626,599	73,382	14,280,070
31-33 Manufacturing	3,357	237,778,011	49,630,551	1,752,711	186,394,749
42 Wholesale Trade	2,400	100,171,661	4,237,714	386,732	95,547,215
44-45 Retail Trade	2,944	162,381,503	15,564,458	967,494	145,849,551
48-49 Transporting and Warehousing	612	16,476,741	2,983,437	23,677	13,469,627
51 Information	1,731	92,594,770	19,058,692	1,320,389	72,215,689
52 Finance and Insurance	2,158	262,579,783	26,464,728	2,859,036	233,256,019
53 Real Estate and Rental & Leasing	1,623	24,786,686	1,436,908	457,941	22,891,837
54 Professional, Scientific and Tech	5,954	121,697,085	17,285,085	1,131,772	103,280,228
55 Management of Companies & Enterprises	1,199	205,166,280	30,514,208	4,248,448	170,403,624
56 Administrative & Support	1,031	19,666,857	774,782	280,737	18,611,338
61-62 Education, Health Care and Social Assistance	1,245	11,790,658	3,351,250	79,856	8,359,552
71 Arts, Entertain., and Recreation	353	1,125,604	69,968	20,553	1,035,333
72 Accom. & Food Services	893	8,734,562	156,635	144,783	8,433,144
81-92 Other Services	1,774	9,445,904	824,961	202,199	8,418,744
99 Not Yet Assigned	9,310	210,562,903	31,844,545	7,557,610	171,160,748
Total	**38,912**	**$1,510,000,259**	**$208,279,734**	**$21,556,794**	**$1,280,163,981**

CORPORATION BUSINESS TAX (cont.)
2023 Corporation Business Tax Returns

Tax Due Before Credits	Number of Returns	Tax Due Before Tax Credits	Business Tax Credits	Pass-Through Entity Tax Credits	Tax Due After Tax Credits
Exempt	3,712	$0	$0	$0	$0
$250 or less	20,245	5,058,999	0	73,830	4,985,169
$251 to $999	5,738	3,256,301	49,964	94,791	3,111,546
$1000 to $24,999	9,582	56,570,168	1,999,763	2,322,816	52,247,589
$25,000 to $49,999	1,091	38,972,982	2,075,668	1,362,143	35,535,171
$50,000 to $99,999	774	54,624,618	2,876,307	2,368,692	49,379,619
$100,000 to $249,999	656	103,194,480	7,168,314	3,536,164	92,490,002
$250,000 to $499,999	345	121,628,884	10,841,638	3,058,077	107,729,169
$500,000 to $999,999	204	145,996,117	14,446,909	2,550,004	128,999,204
$1M to $2 million	147	195,392,371	29,331,685	4,259,283	161,801,403
$2M to $5 million	92	287,529,394	39,575,833	1,027,446	246,926,115
$5 million and over	38	497,775,945	99,913,653	903,298	396,958,994
Total	**42,624**	**1,510,000,259**	**208,279,734**	**21,556,794**	**1,280,163,981**

CORPORATION BUSINESS TAX CREDITS

Connecticut offers many Corporation Business Tax credits, which a corporation may take advantage of to reduce its liability to the state.

For a listing of the tax credits available under the Corporation Business Tax, see the Corporation Tax Credit Guide on the DRS website.

The table below shows the number and amount of corporation tax credits claimed by businesses. The figures represent credit claimed on 2023 returns and any credits carried forward from prior years and used in 2023.

Tax Credits Claimed on 2023 Corporation Business Returns

Type of Credit	Number of Credits	Amount Claimed
Apprenticeship Training	10	$173,614
Donation of Land	3	27,292
Electronic Data Processing	1,108	11,850,058
Film Production	36	61,138,052
Film Production Infrastructure	2	6,872,806
Fixed Capital Investments	1,367	57,173,701
Historic Structures Rehabilitation	2	4,723,832
Human Capital Investments	86	4,325,874
Machinery and Equipment	36	986,334
Manufacturing Facility in Targeted Investment Community or Enterprise Zone	6	324,859
Neighborhood Assistance	34	1,682,566
Research & Development	385	13,246,087
Research & Experimental Expenditures	364	39,036,427
Urban and Industrial Site Reinvestment	7	6,385,250
Undetermined		332,982
Total	**3,446**	**$208,279,734**

CORPORATION BUSINESS TAX CREDITS (cont.)

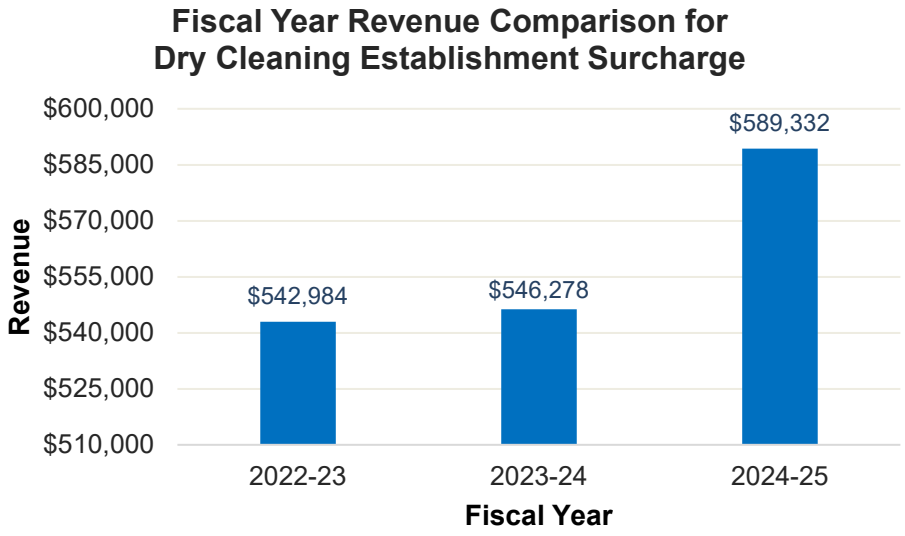
The table below shows the unused credit amounts reported on 2023 corporation business tax returns as being carried forward to the 2024 income year.

Credits Carried Forward to 2024 Income Year

Type of Credit	Carryforward Amount
Donation of Land	$1,916,721
Electronic Data Processing	57,984,019
Fixed Capital Investments	478,914,023
Historic Preservation	122
Historic Rehabilitation	444,378
Housing Program Contribution	13,984
Human Capital Investments	11,397,547
Research & Development	1,914,171,504
Research & Experimental Expenditures	614,257,761
Urban and Industrial Site Reinvestment	18,969,864
Total Carryforward Credits	**$3,098,069,923**

DRY CLEANING ESTABLISHMENT SURCHARGE
Connecticut General Statutes
Chapter 211b

The Dry Cleaning Establishment Surcharge is used to provide grants to dry cleaning establishments for the containment and removal or mitigation of environmental pollution resulting from dry cleaning activity. Revenue is deposited into the Dry Cleaning Remediation Account, which is used to provide these grants and fund other measures undertaken to prevent pollution. See Dry Cleaning Establishment Surcharge Information on the DRS website.



Basis and Rate

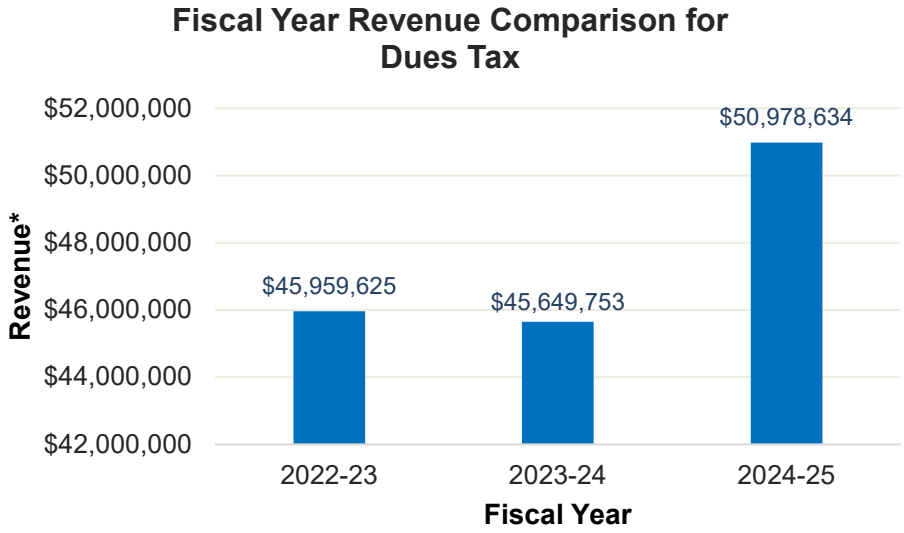
1% of gross receipts at retail.

Number of Taxpayers / Filing Frequency

223 taxpayers / Quarterly

DUES TAX
Connecticut General Statutes
Chapter 225

A 10% Dues Tax applies to social, athletic, or sporting clubs in the state that impose initiation fees or membership dues. See Dues Tax Information on the DRS website.



* Includes revenue from the Transportation Network Company Fee.

Basis and Rate

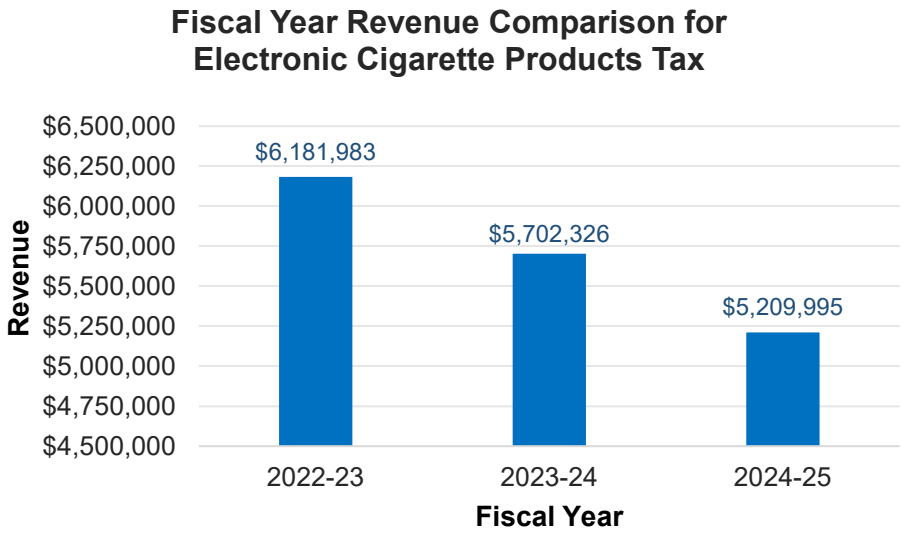
10% of membership dues or initiation fees to social, athletic, or sporting club organizations.

Number of Taxpayers / Filing Frequency

341 taxpayers / Monthly

ELECTRONIC CIGARETTE PRODUCTS TAX
Connecticut General Statutes
Chapter 214b

A tax is imposed on electronic cigarette liquid and electronic cigarette products. Electronic cigarette liquid refers to any liquid that, when used in electronic nicotine delivery system or vapor product, produces a vapor containing nicotine that is inhaled by the user. Electronic cigarette products include electronic nicotine delivery systems, liquid nicotine containers, vapor products, and electronic liquids. This tax went into effect on October 1, 2019. See Electronic Cigarette Tax Information on the DRS website.



Basis and Rate

The tax is imposed on the first sale or use in Connecticut of any electronic cigarette product at a rate of either:

- $0.40 per milliliter of the electronic cigarette liquid contained within an electronic cigarette product that is prefilled, sealed by the manufacturer, and not intended to be refillable; or
- 10% of the wholesale sales price of any other electronic cigarette product.

Number of Taxpayers / Filing Frequency

223 distributors / Monthly

ELECTRONIC CIGARETTE PRODUCTS TAX (cont.)

Fiscal Year Electronic Cigarette Products Tax Liability

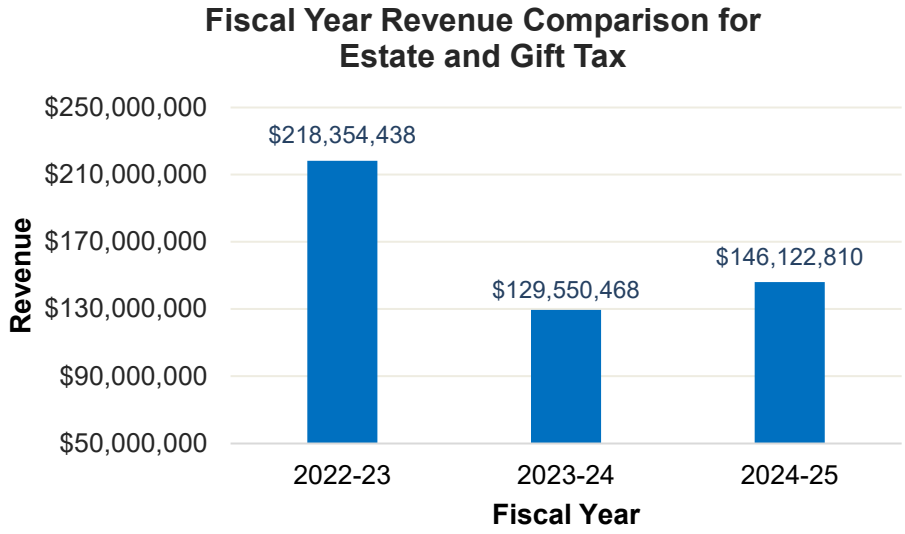
Fiscal Year	Tax Collected at $0.40 per Milliliter of the E-Cig Liquid	Tax Collected at 10% of the Wholesale Sales Price
FY 2024-25	$3,849,629	$708,955
FY 2023-24	3,857,303	907,112
FY 2022-23	4,824,750	1,340,795

ESTATE AND GIFT TAX
Connecticut General Statutes
Chapter 217 & Chapter 228c

Resident and nonresident estates of decedents dying during 2025 are liable for the Connecticut Estate Tax on the amount of the Connecticut taxable estate that exceeds the federal basic exclusion amount.

Taxpayers are required to file a Connecticut Estate and Gift Tax return to report all Connecticut taxable gifts, even if no Connecticut gift tax is due. See Estate and Gift Tax Information on the DRS website.

The maximum amount of tax paid by the estates of decedents who die on or after January 1, 2019, is $15 million. This payment cap also applies to the gift tax amount paid by donors who make taxable gifts on or after January 1, 2019. The payment cap is reduced by the amount of any gift taxes paid on taxable gifts made on or after January 1, 2016.



Basis and Rate

For gifts made, or the estates of decedents dying **on or after January 1, 2023,** the Estate and Gift tax is 12% of the excess over the federal basic exclusion amount. In 2025, the federal basic exclusion amount was $13.99 million.

ESTATE AND GIFT TAX (cont.)

Detail of Revenue

For Fiscal Year 2024-25, total Estate and Gift Tax revenue collected was $146,122,810. Much of this revenue is attributable to prepayments that apply against upcoming tax returns. A breakdown of returns from estates received during Fiscal Year 2024-25 follows, as well as a breakdown of Calendar Year 2024 estate tax returns received to date.

ESTATE AND GIFT TAX RETURNS FROM ESTATES OF DECEDENTS RECEIVED DURING FY 2024-25

Amount of Taxable Estate More Than	Not Over	Number of Returns	Tax Due	Tax Due After Credits *
	$10 Million	38	$98,722	$98,722
$10 Million	$15 Million	25	1,291,113	1,158,638
$15 Million	$25 Million	30	16,500,684	14,485,558
$25 Million		31	111,031,280	93,853,728
Total		**124**	**$128,921,799**	**$109,596,646**

ESTATE AND GIFT TAX RETURNS FROM ESTATES OF DECEDENTS RECEIVED FOR CALENDAR YEAR 2024 (Preliminary*)

Amount of Taxable Estate More Than	Not Over	Number of Returns	Tax Due	Tax Due After Credits **
	$10 Million	27	$0	$0
$10 Million	$15 Million	14	680,379	566,459
$15 Million	$25 Million	23	13,665,260	12,351,768
$25 Million		24	137,587,122	98,871,815
Total		**88**	**$151,932,761**	**$111,790,042**

* Reflects returns received as of November 2025 for deaths in Calendar Year 2024.

** Reflects credits for real or tangible personal property located in other jurisdictions and prior gift tax payments.

ESTATE AND GIFT TAX (cont.)

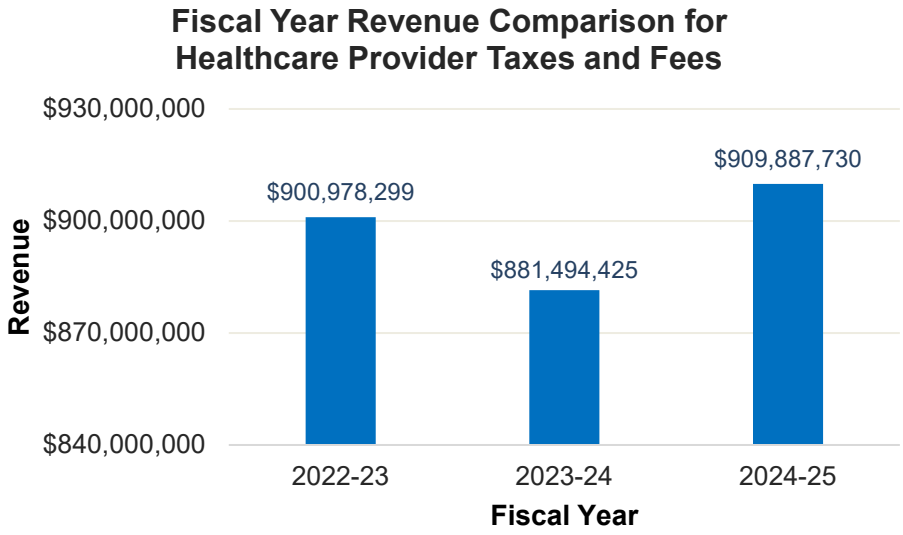
For Fiscal Year 2024-25, an additional amount of the estate and gift tax was attributable to gift tax returns filed by non-decedents. A breakdown of Calendar Year 2024 gift tax returns received to date is shown below.

ESTATE AND GIFT TAX RETURNS
2024 GIFT TAX ONLY

Amount of 2024 Taxable Gifts More Than	Not Over	Number of Returns	Tax Due
	$3 Million	115	$93,488
$3 Million	$4 Million	47	0
$4 Million		193	3,709,666
Total		**355**	**$3,803,154**

HEALTHCARE PROVIDER FEES
Connecticut General Statutes
Chapter 211c

There are three components to the healthcare provider fees established under Chapter 211c of the Connecticut General Statutes. They include the hospital user fee, intermediate care facility, and nursing home user fees. Each of the three provider types are outlined below.



HOSPITALS

A quarterly user fee is imposed on each hospital's net revenue for the provision of inpatient hospital services and for the provision of outpatient hospital services.

Basis and Rate

The effective user fee rate on inpatient hospital services is 6% and the effective user fee rate on outpatient hospital services is 11.0976%.

Number of Taxpayers / Filing Frequency

25 Taxpayers / Quarterly

HEALTHCARE PROVIDER FEES (cont.)

INTERMEDIATE CARE FACILITY USER FEE

An intermediate care user fee is established on each residential facility for individuals with intellectual disabilities that meet certain federal requirements, and, in the case of a private facility, is licensed by the Department of Developmental Services.

Basis and Rate

The intermediate care facility user fee is $27.76. The amount due from each facility is determined by multiplying the user fee by the facility's resident days for the calendar quarter.

Number of Taxpayers / Filing Frequency

66 Taxpayers / Quarterly

NURSING HOME USER FEE

A nursing home user fee is established on each chronic and convalescent nursing home or rest home with nursing supervision that is licensed as a nursing home by the Connecticut Department of Public Health.

Basis and Rate

The user fee is $16.13 for municipally owned facilities and facilities with over 230 beds and $21.02 for all other nursing homes. The amount due from each nursing home is determined by multiplying the appropriate user fee by the home's resident days for the calendar quarter.

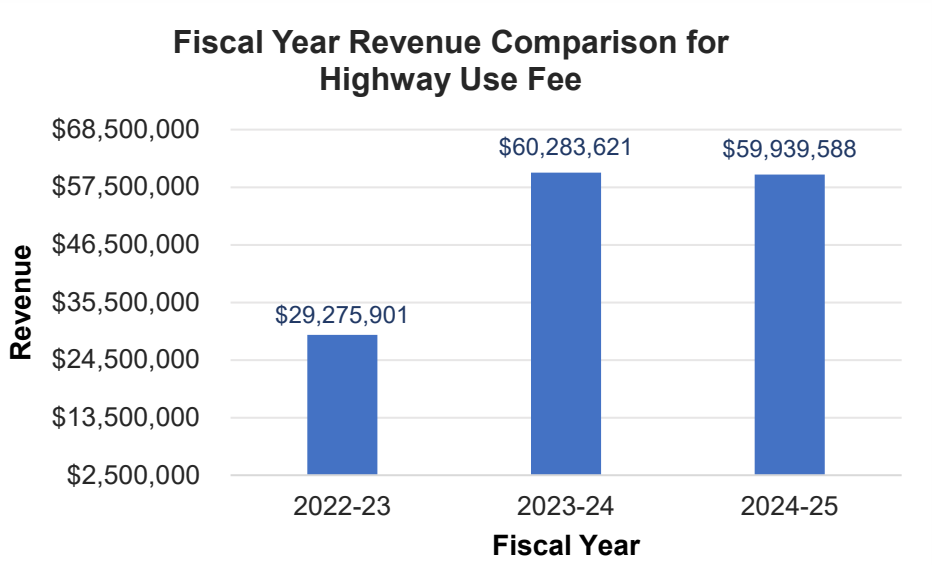
Number of Taxpayers / Filing Frequency

184 Taxpayers / Quarterly

HIGHWAY USE FEE
Connecticut General Statutes
Chapter 222a

The Highway Use Fee is imposed on certain carriers for the privilege of operating, or causing to be operated, heavy multi-unit motor vehicles on any highway (i.e., public road) in Connecticut.

The fee is calculated based on the weight of the eligible motor vehicle and the number of miles driven in Connecticut. See Highway Use Fee Information on the DRS website.



Basis and Rate

A per-mile fee rate is based on the carrier's gross weight, ranging from 2.5 cents per mile for vehicles weighing 26,000-28,000 pounds (lbs.) to 17.5 cents per mile for vehicles weighing more than 80,000 lbs.

Number of Taxpayers

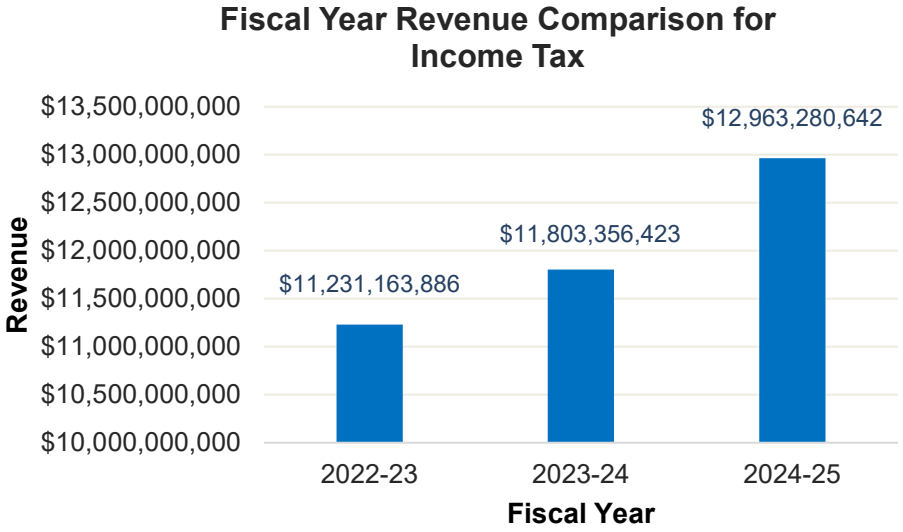
28,641/Total

2,632/In-State

26,008/Out-of-State

INCOME TAX
Connecticut General Statutes
Chapter 229

Connecticut imposes a tax on income earned by resident individuals, trusts, and estates. Nonresidents and part-year resident individuals, trusts, and estates are also subject to the tax on income derived from or connected with sources within the State. See Income Tax Information on the DRS website.



Number of Taxpayers / Filing Frequency

2 million taxpayers / Annually

Taxpayers who expect to owe more than $1,000 in income tax, in addition to income tax withheld, are required to file four estimated tax payments by the 15th of the month (April, June, September & January).

Tax Credits

Connecticut Earned Income Tax Credit

The Connecticut Earned Income Tax Credit is a refundable state income tax credit for low to moderate income working individuals and families. The state credit mirrors the federal Earned Income Tax Credit. See CT Earned Income Tax Credit on the DRS website for more information.

Earned Income Tax Credit			
Year	**Number of Credits**	**Amount of Credit**	**EITC Rate**
2022	184,135	$129,698,137	30.5%
2023	191,209	190,103,143	40%
2024	193,283	195,066,537	40%

Credit for Pass-Through Entity Taxes Paid

A member in a Pass-Through Entity (PE) is entitled to a credit equal to 87.5% of the member's direct and indirect share of the PE's tax liability.

Pass-Through Entity Tax Credit	
Year	**Amount of Credit**
2022	$1,238,665,684
2023	1,138,421,488
2024	1,337,824,675

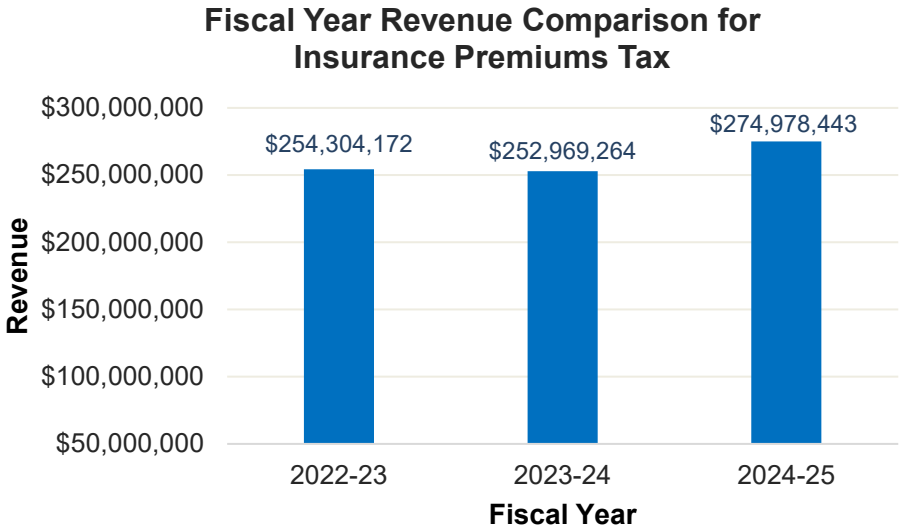
Personal Income Tax Credits

2023 Personal Income Tax Credits			
Credit	**Number of Credits Claimed**	**Amount of Credit**	**Credits Carried Forward to 2024 Tax Year**
Angel Investor	269	$5,203,261	$2,686,652
Insurance Reinvestment Fund	37	65,904	475,174
Prior Year CT Alternative Minimum Tax	214	1,571,331	3,002,110
Birth of Stillborn Child	148	231,026	
Total	**668**	**$7,071,522**	**$6,163,936**

INSURANCE PREMIUMS TAX
Connecticut General Statutes
Chapter 207

Insurance companies, domestic and foreign, are taxed in Connecticut on the total net direct premiums received from policies written on property or risks within the State. Total net direct subscriber charges received on any new or renewal contract or policy by a health care center are also taxed.

The State also imposes a tax on premiums for unauthorized insurance. Specifically, insureds who procure non-admitted insurance are required to remit tax on premiums paid to a non-admitted insurer. Additionally, risk retention groups are required to pay tax on premiums collected on coverages within the State. Captive insurance companies are also subject to tax. These are created and wholly owned by one or more non-insurance companies to insure the risks of its owners as a type of self-insurance. See Insurance Premiums Tax Information on the DRS website.



Basis and Rate

- 1.5% of net direct premiums by domestic and foreign insurance companies;
- Captive insurance companies are subject to an annual tax between $7,500 and $200,000;
- 4% of gross premiums charged by non-admitted and unauthorized insurers; and
- 1.5% of net direct subscriber charges of health care centers.

INSURANCE PREMIUMS TAX (cont.)

Number of Taxpayers / Filing Frequency

1,392 Insurance Companies / Annually with four estimated payments
- 92 Domestic Companies
- 1,104 Foreign Companies
- 12 Health Care Centers
- 22 Non-admitted Insurers
- 115 Risk Retention Groups
- 47 Captive Insurers

Comparative Data - Revenue

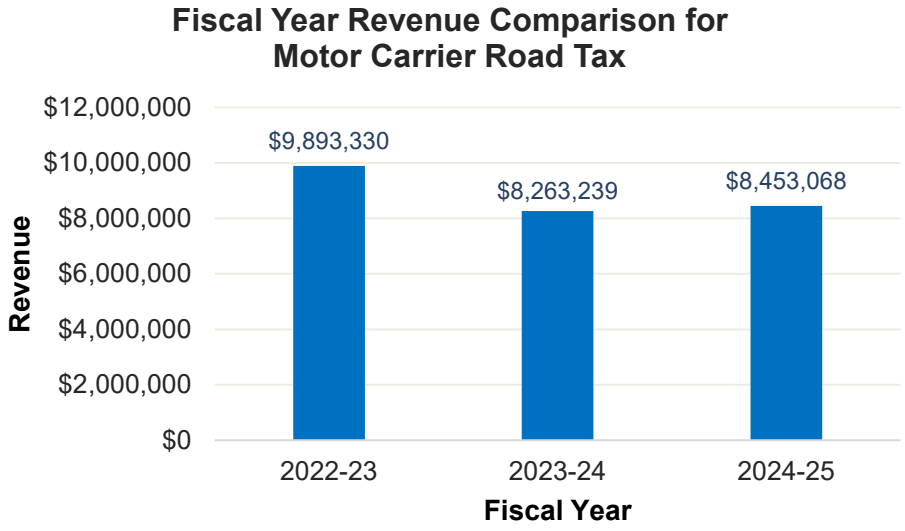
	FY 2022-23	FY 2023-24	FY 2024-25
Domestic	$47,897,022	$49,320,976	$56,206,379
Foreign	192,717,482	189,473,363	206,160,474
Health Care Center	3,401,206	2,249,237	1,635,982
Non-admitted/ Unauthorized/Captive	10,288,462	11,925,688	10,975,608
Total	**$254,304,172**	**$252,969,264**	**$274,978,443**

Calendar Year 2023 Insurance Tax Credits

Type of Credit	Number of Credits	Amount of Credit Claimed
Electronic Data Processing	65	$9,904,012
Insurance Department Assessment	10	441,905
Insurance Reinvestment	29	11,680,261
Second Insurance Reinvestment	73	21,293,504
Neighborhood Assistance	18	978,094
Urban & Industrial Site Reinvestment	10	451,486
Film Production	67	57,130,556
Film Production Infrastructure	1	590,245
Historic Rehabilitation	0	0
CIGA Assessment	337	3,393,706
CLHIGA Assessment	157	263,101
Total Credits	**767**	**$106,126,870**

MOTOR CARRIER ROAD TAX
Connecticut General Statutes
Chapter 222

Connecticut has participated in the International Fuel Tax Agreement (IFTA) since 1996. IFTA is a cooperative agreement among most states and provinces of Canada that simplifies how interstate motor carriers report and pay fuel use taxes. This allows interstate motor carriers to file one quarterly report with their home state, which then distributes the fuel tax owed to each state based on the miles driven in each state. See Motor Carrier Road Tax Information and IFTA Information on the DRS website.



Basis and Rate

	Rate per Gallon
Gasohol	25¢
Diesel Fuel 7/1/24 through 6/30/25*	52.4¢
Natural Gas or Propane	26¢

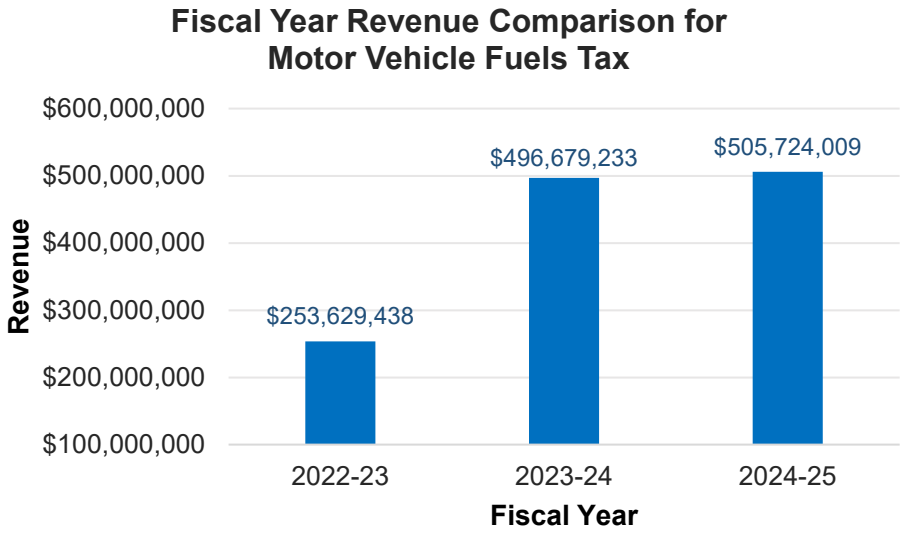
* Each fiscal year the Department is required to calculate the new diesel fuel rate using the average wholesale price per gallon of diesel fuel for the 12-month period ending on the preceding March 31st, as determined by statute.

Number of Taxpayers / Filing Frequency

3,121 IFTA filers / Quarterly
2,570 Intrastate Motor Carriers / Annual

MOTOR VEHICLE FUELS TAX
Connecticut General Statutes
Chapter 221

Motor fuel used or sold in Connecticut is subject to the Motor Vehicle Fuels Tax. "Fuel" includes gasoline, diesel, gasohol, propane, or any combustible gas or liquid that generates the power needed to propel a motor vehicle. See Motor Vehicle Fuels Tax Information on the DRS website.



Basis and Rate

	Rate per Gallon
Aviation Fuel 7/1/25 through 6/30/29	15¢
Gasohol	25¢
Diesel Fuel 7/1/24 through 6/30/25	52.4¢
Natural Gas or Propane	26¢

- Each fiscal year, the Department is required to calculate the new diesel fuel rate using the average wholesale price per gallon of diesel fuel for the 12-month period ending on the preceding March 31st, as determined by statute.

- **Aviation Fuel Tax:** A new tax on companies that distribute aviation fuel in Connecticut will be in effect for the quarterly periods commencing on or after July 1, 2025, and prior to July 1, 2029. The tax is imposed on the first sale of aviation fuel at the rate of 15 cents per gallon.

Number of Taxpayers / Filing Frequency

638 taxpayers / Monthly

MOTOR VEHICLE FUELS TAX (cont.)

Comparative Data

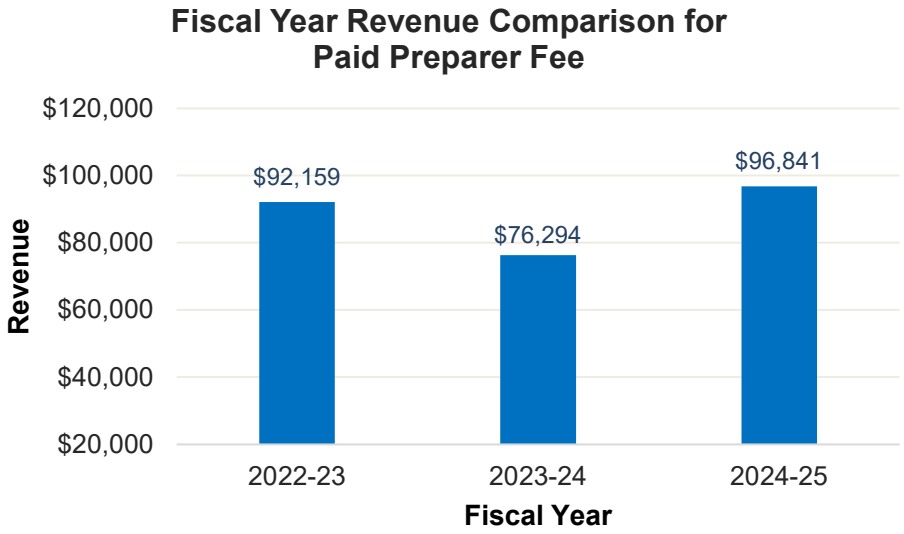
	FY 2022-23 (gallons)	FY 2023-24 (gallons)	FY 2024-25 (gallons)
Gasohol	995,792,393	1,451,235,949	1,445,968,645
Gas Tax Holiday	494,187,906		
Special Fuel*	271,424,644	267,809,707	265,732,514
Alternative Fuels**	3,603,704	3,983,070	3,770,089
Total Gallons	**1,765,008,647**	**1,723,028,726**	**1,715,471,248**

* Gallons reported under Special Fuel primarily contain diesel fuel, however, there are minimal amounts of Natural Gas and Propane reported under this category.

** Alternative fuels consist of Compressed Natural Gas (CNG), Liquefied Natural Gas (LNG), and Liquefied Petroleum Gas (Propane).

PAID PREPARER FEE
Connecticut General Statutes
Chapter 229

The Connecticut General Assembly enacted a comprehensive law which established professional practice standards for all tax preparers and facilitators. In addition, any person that prepares federal or state personal income tax returns for a fee or other consideration, and is not expressly exempt, must have a permit. The permit must be renewed every two years. See Preparer Fee Information on the DRS website.



Fee

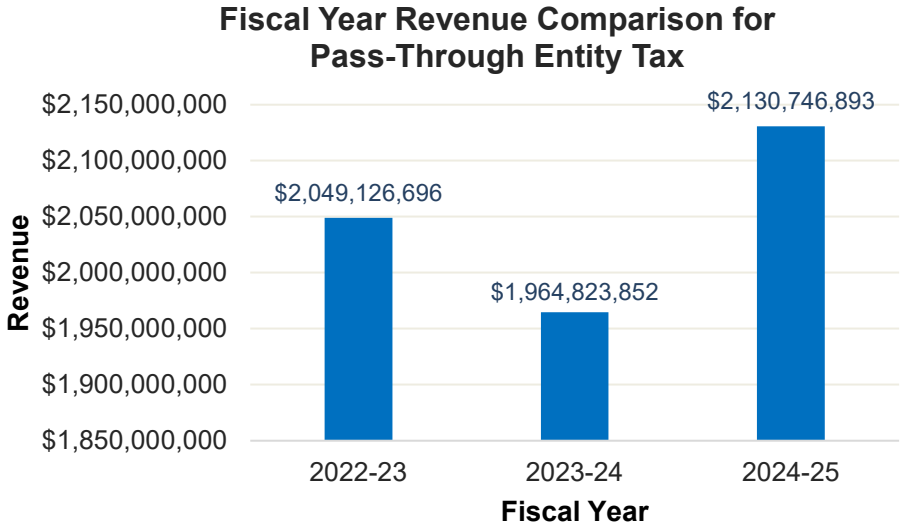
All tax preparers who are not exempt are required to have a permit. The initial application fee is $100. The permit expires after two years. The renewal fee is $50.

Exempt Preparers

- Attorneys;
- Certified Public Accountants;
- Enrolled Agents;
- IRS qualified volunteer tax preparers participating in either a Volunteer Income Tax Assistance (VITA) or Tax Counseling for the Elderly (TCE) program;
- Employee of an attorney preparing tax returns under the supervision of the attorney;
- Employee of a local, state or federal governmental agency preparing returns in the performance of official duties;
- Employee of, or assistant to, a tax preparer or person exempted from the permit requirements, in the performance of official duties for such tax preparer or exempt person;
- Fiduciary acting on behalf of an estate; and
- Individuals employed, full-time or part-time, to act as a tax preparer solely for the business purposes of such individual's employer.

PASS-THROUGH ENTITY TAX
Connecticut General Statutes
Chapter 228z

Recent legislation made the Pass-Through Entity tax optional, effective January 1, 2024, and applicable to taxable years commencing on and after that date. Any entity that elects to pay such tax must give the Commissioner of Revenue Services written notice for each tax year it makes the election and must do so no later than the due date (or extended due date) for filing the return. See Pass-Through Entity Tax Information on the DRS website.



Basis and Rate

Effective for taxable years commencing on or after January 1, 2024, any entity electing to pay the Pass-Through Entity tax must calculate the portion of the entity's Connecticut source income from its own activities that flows through to members who are chapter 229 taxpayers (income tax) plus the portion of the entity's income that flows through to members who are Connecticut residents and that is not sourced to any state.

The tax rate of 6.99% is applied to the base to determine the amount of tax due.

Number of Taxpayers / Filing Frequency

141,480 taxpayers / Annually with four estimated installments.

PASS-THROUGH ENTITY (cont.)

Composite Personal Income Tax

Pass-through entities can remit composite income tax in connection with the PE's taxable year on behalf of each of its members who are nonresident individuals. Pass-through entities remitted $19,765,937 in Personal Income tax in Tax Year 2023.

For taxable years that begin on or after January 1, 2024, legislation **requires** that the pass-through entity file an income tax return and pay the tax on behalf of any nonresident member for whom the business is the only source of Connecticut income.

Detail of Revenue

2023 Pass-Through Entity Tax Returns

Tax Due	Number of Returns	Tax Due
Zero	78,616	$0
$1 to $999	15,220	5,974,381
$1000 to $24,999	38,576	265,342,525
$25,000 to $49,999	4,211	147,626,827
$50,000 to $99,999	2,368	165,602,817
$100,000 to $249,999	1,560	236,660,641
$250,000 to $499,999	469	162,036,594
$500,000 to $999,999	247	175,011,328
$1 million to $2 million	129	178,438,829
$2 million to $3 million	37	91,092,765
$3 million to $4 million	15	50,178,089
$4 million and over	32	212,097,332
Total	**141,480**	**$1,690,062,128**

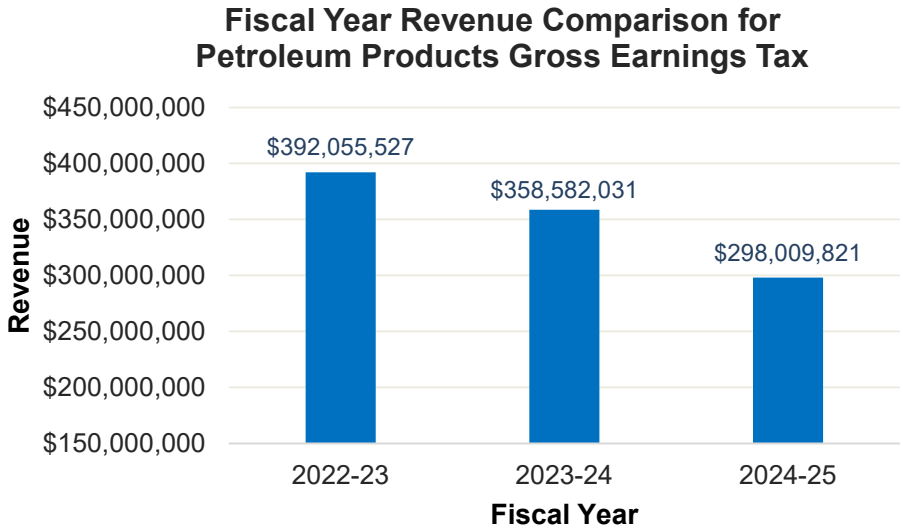
Business Tax Credits

Tax Credits Claimed on 2023 Pass-Through Entity Returns

Type of Credit	Number of Credits	Amount Claimed
Apprenticeship Training	9	$799,924

PETROLEUM PRODUCTS GROSS EARNINGS TAX
Connecticut General Statutes
Chapter 227

A tax is levied on the gross earnings from the first sale of companies distributing petroleum products in Connecticut. Petroleum products include but are not limited to gasoline, kerosene, diesel fuel, number 2 heating oil, greases, lubricants, mineral oils, and motor oil. See Petroleum Products Gross Earnings Tax Information on the DRS website.



Basis and Rate

8.1%

Number of Taxpayers / Filing Frequency

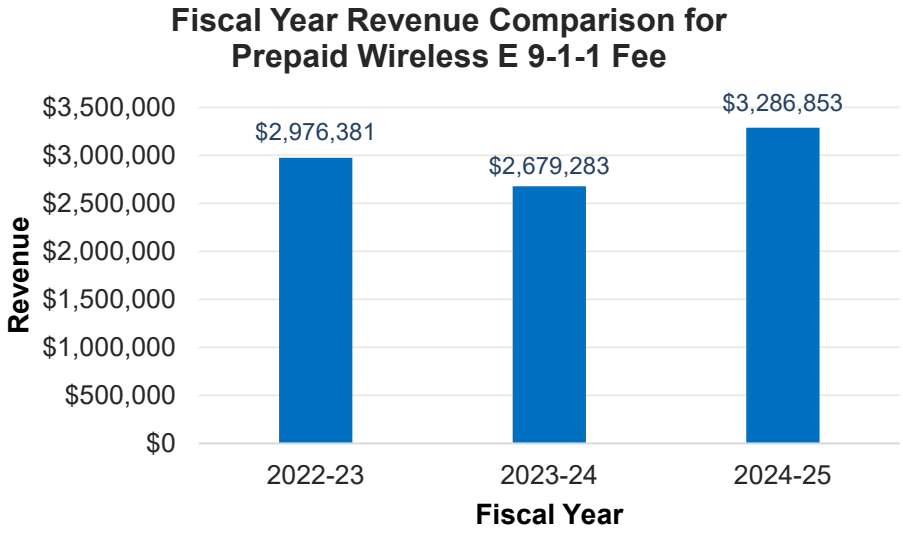
609 taxpayers / Quarterly

Cap on Petroleum Products Gross Earnings Tax

The petroleum products gross earnings tax has a $3.00 per gallon cap on which the tax is calculated for the first sale for gasoline and gasohol. Petroleum products distributors are required to calculate the tax at $3.00 per gallon even if the price exceeds said amount and any consideration received by the distributor in excess of $3.00 is exempt from tax.

PREPAID WIRELESS E 9-1-1 FEE
Connecticut General Statutes
Chapter 518a

A Prepaid Wireless E 9-1-1 Fee is levied on each sale of prepaid wireless telecommunications service by a retailer. The fee is determined each June for the upcoming fiscal year by the Connecticut Public Utility Regulatory Authority (PURA). All monies collected are deposited in the Enhanced 9-1-1 Telecommunications Fund. Retailers may retain 1% of the Prepaid Wireless E 9-1-1 Fees they collect. See Prepaid Wireless E 9-1-1 Fee Information on the DRS website.



Basis and Rate

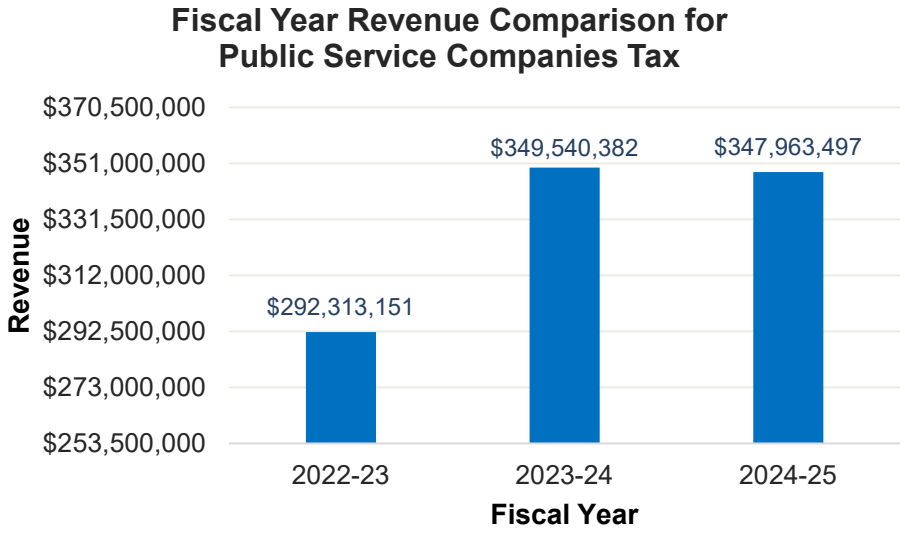
$0.69 for sales made on or after July 1, 2025.
$0.73 for sales made between July 1, 2024, and June 30, 2025.

Number of Taxpayers / Filing Frequency

225 Retailers
206 / Monthly
19 / Quarterly

PUBLIC SERVICE COMPANIES TAX
Connecticut General Statutes
Chapters 210, 211, 212, 212a

There are four statutory components to the public service companies taxes under Chapters 210, 211, 212, and 212a of the Connecticut General Statutes. Included under these tax chapters are: Gas Companies, Electric & Power Distribution Companies, Municipal Electric Utilities, Community Antenna TV & Certified Competitive Video Provider, Satellite TV Companies and Railroad Companies taxes. See Gross Earnings Tax Information, on the DRS website.



Basis and Rate

Community Antenna TV*	5.25%
Certified Competitive Video Service Provider*	5.25%
Satellite TV*	5.25%
Railroad	2 - 3.5%
Gas Companies	5%
Gas sales to residential customers	4%
Electric Distribution Companies & Municipal Electric Utilities	6.8% for residential customers 8.5% for nonresidential customers (other than manufacturers)

* Certified Competitive Video Service Providers, Community Antenna TV, and Satellite TV service providers are subject to an additional 0.25% tax for a total tax rate equal to 5.25%. The additional tax is used to fund the Public, Educational and Governmental Programming and Education Technology Investment Account.

PUBLIC SERVICE COMPANIES TAX (cont.)

Number of Taxpayers / Filing Frequency

100 Taxpayers
- 59 Public Utility Companies / Quarterly
- 16 Community Antenna TV & Certified Competitive Video Provider Companies / Quarterly
- 15 Satellite TV Companies / Quarterly
- 10 Railroad Companies / Annually (July 1)

Residential Credit

Companies claimed $8,526,876 in Fiscal Year 2024-25 under the one-percent credit attributable to the sale of gas and electric power for residential use.

Manufacturing Companies Credit

$8,698,797 was claimed in credit for gas used directly by companies engaged in a manufacturing production process during Fiscal Year 2024-25.

Comparative Data

	FY 2022-23	FY 2023-24	FY 2024-25
Cable, Satellite & Video	$49,226,215	$35,555,237	$29,731,253
Electric & Power Companies	149,579,820	237,946,264	234,557,976
Gas Companies	90,207,200	72,970,332	80,215,019
Public, Educational & Governmental Programming Tax*	2,825,522	2,573,751	3,074,297
Railroad Companies	474,393	494,799	384,952
Total Tax	**$292,313,151**	**$349,540,382**	**$347,963,497**

*Additional tax on cable, satellite and video for deposit in the public, educational and governmental programming and education technology investment account.

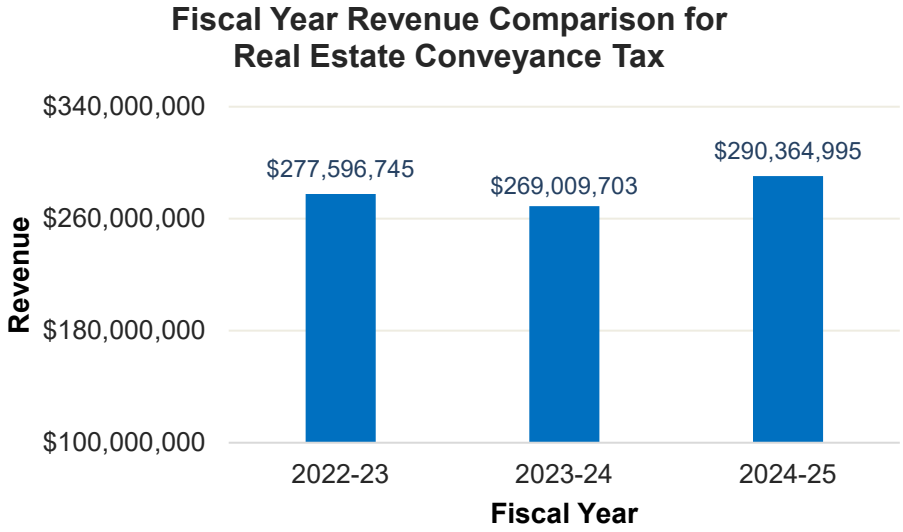
PUBLIC SERVICE COMPANIES TAX (cont.)

Fiscal Year 2024-25 Public Service Companies Tax Credits

Type of Credit	Number of Credits	Amount of Credit Claimed
Electronic Data Processing	3	$1,010,587
Neighborhood Assistance	9	1,089,066
Historic Homes Rehabilitation	4	2,712,153
Historic Rehabilitation	3	3,594,498
Historic Structures Rehabilitation	1	1,945,406
Housing Program Contribution	1	10,000,000
Urban & Industrial Site Reinvestment	2	7,400,000
Total Tax Credits	**23**	**$27,751,709**

REAL ESTATE CONVEYANCE TAX
Connecticut General Statutes
Chapter 223

Connecticut imposes a tax on the conveyance of real property. The tax is assessed on the full purchase price of the property and is determined by the classification of the property being conveyed. Payment of the tax is the responsibility of the seller of the property and must be paid before the deed can be recorded. See Real Estate Conveyance Tax Information on the DRS website.



Basis and Rate

Conveyances made on or after July 1, 2020:

Classification	Rate
Unimproved Land	0.75%
Nonresidential property other than Unimproved Land	1.25%
Residential Dwelling:	
Portion $800,000 or less	0.75%
Portion between $800,000 and $2.5 million	1.25%
Portion that exceeds $2.5 million	2.25%
Residential Property other than Residential Dwelling	0.75%
Delinquent Mortgage	0.75%

REAL ESTATE CONVEYANCE TAX (cont.)
Fiscal Year 2024-25 Conveyances

Revised November 2026

Amount of Consideration	Number of Taxable Conveyances	Number of Non-Taxable Conveyances	Number of Exempt Conveyances	Tax Due
$2,000 and Under	0	29,479	4,231	0
$2,000 to $29,999	859	30	39	127,152
$30,000 to $39,999	236	*	*	66,457
$40,000 to $49,999	272	*	*	95,838
$50,000 to $59,999	293	*	*	124,077
$60,000 to $69,999	307	13	*	156,328
$70,000 to $79,999	292	10	*	173,957
$80,000 to $89,999	312	13	*	209,907
$90,000 to $99,999	282	*	*	210,734
$100,000 to $109,999	392	13	14	333,549
$110,000 to $119,999	312	17	*	288,243
$120,000 to $129,999	435	13	*	435,899
$130,000 to $139,999	389	*	*	403,446
$140,000 to $149,999	399	*	13	442,313
$150,000 to $159,999	558	16	13	678,555
$160,000 to $169,999	471	19	17	615,095
$170,000 to $179,999	534	24	18	744,109
$180,000 to $189,999	589	29	19	858,361
$190,000 to $199,999	555	22	15	845,757
$200,000 to $249,999	3,645	94	79	6,354,771
$250,000 to $299,999	4,790	128	94	10,164,857
$300,000 to $399,999	10,325	233	122	27,547,278
$400,000 to $499,999	7,107	187	59	24,411,148
$500,000 to $599,999	4,398	103	30	18,597,300

Note that conveyances for no consideration or consideration of less than $2,000 are non-taxable.

REAL ESTATE CONVEYANCE TAX (cont.)
Fiscal Year 2024-25 Conveyances

Revised November 2026

Amount of Consideration	Number of Taxable Conveyances	Number of Non-Taxable Conveyances	Number of Exempt Conveyances	Tax Due
$600,000 to $699,999	2,951	55	22	14,752,761
$700,000 to $799,999	1,961	30	15	11,361,613
$800,000 to $899,999	1,289	25	*	8,902,727
$900,000 to $999,999	857	18	*	6,987,863
$1,000,000 to $1,099,999	481	*	*	4,444,806
$1,100,000 to $1,199,999	502	*	*	5,342,818
$1,200,000 to $1,299,999	462	*	*	5,459,745
$1,300,000 to $1,399,999	342	*	*	4,478,404
$1,400,000 to $1,499,999	260	*	*	3,744,587
$1,500,000 to $1,999,999	997	16	12	17,557,028
$2,000,000 to $2,499,999	511	*	*	12,469,254
$2,500,000 to $2,999,999	335	*	*	10,899,335
$3,000,000 to $3,499,999	219	*	*	9,164,805
$3,500,000 to $3,999,999	180	*	*	9,695,355
$4,000,000 to $4,499,999	128	*	*	8,107,082
$4,500,000 to $4,999,999	76	*	*	5,529,460
$5,000,000 and over	406	*	*	58,577,053
Total	**49,932**	**30,703**	**4,924**	**$291,359,829**

Note that conveyances for no consideration or consideration of less than $2,000 are non-taxable.

* Less than 10 conveyances

REAL ESTATE CONVEYANCE TAX (cont.)
Fiscal Year 2024-25 Conveyances
Revised November 2026

Municipality	Taxable Conveyances	Nontaxable and Exempt Conveyances	Consideration for Taxable Conveyances	Tax Due
ANDOVER	45	31	14,247,953	109,691
ANSONIA	234	162	77,414,330	617,936
ASHFORD	71	47	19,372,201	156,584
AVON	316	255	176,334,212	1,718,613
BARKHAMSTED	66	59	24,325,219	200,357
BEACON FALLS	92	66	32,117,701	257,313
BERLIN	253	258	97,059,832	1,225,710
BETHANY	68	86	31,474,606	271,905
BETHEL	277	212	143,464,001	1,614,194
BETHLEHEM	49	65	22,990,243	183,329
BLOOMFIELD	306	209	104,748,846	1,025,176
BOLTON	86	53	34,300,884	263,052
BOZRAH	52	57	18,156,600	153,706
BRANFORD	501	383	231,875,278	2,821,800
BRIDGEPORT	1,321	885	456,635,087	5,261,669
BRIDGEWATER	38	30	27,127,023	233,447
BRISTOL	896	635	280,079,067	2,761,765
BROOKFIELD	305	191	176,217,562	1,801,570
BROOKLYN	167	128	50,890,831	447,294
BURLINGTON	121	133	70,631,451	570,747
CANAAN	15	28	11,185,000	97,518
CANTERBURY	87	96	21,501,067	204,580
CANTON	158	101	69,501,100	605,085
CHAPLIN	32	36	8,280,046	65,389
CHESHIRE	412	287	202,629,370	2,032,563
CHESTER	53	47	29,261,683	295,440
CLINTON	235	191	103,658,538	997,949
COLCHESTER	222	168	81,624,498	645,126
COLEBROOK	38	31	11,242,632	96,377
COLUMBIA	81	80	32,544,200	307,594
CORNWALL	31	34	25,463,626	251,730
COVENTRY	194	183	65,143,895	514,376
CROMWELL	276	156	105,808,333	990,298
DANBURY	975	673	399,547,828	4,866,365
DARIEN	287	172	709,459,452	10,527,895
DEEP RIVER	84	88	38,089,288	343,408
DERBY	193	95	61,880,602	551,042
DURHAM	89	71	39,438,723	310,403
EASTFORD	45	37	10,892,350	93,361
EAST GRANBY	79	57	31,085,570	365,943

REAL ESTATE CONVEYANCE TAX (cont.)
Fiscal Year 2024-25 Conveyances
Revised November 2026

Municipality	Taxable Conveyances	Nontaxable and Exempt Conveyances	Consideration for Taxable Conveyances	Tax Due
EAST HADDAM	195	175	68,469,558	637,272
EAST HAMPTON	237	159	85,590,038	732,148
EAST HARTFORD	649	382	169,664,622	2,033,850
EAST HAVEN	441	306	147,095,048	1,601,476
EAST LYME	322	336	159,044,915	1,547,805
EASTON	108	74	100,854,462	1,003,750
EAST WINDSOR	206	107	55,455,418	492,492
ELLINGTON	216	163	83,556,292	693,447
ENFIELD	657	367	192,748,388	1,982,680
ESSEX	131	110	94,653,061	983,917
FAIRFIELD	851	529	950,067,060	10,700,756
FARMINGTON	406	415	235,424,574	2,278,115
FRANKLIN	36	32	9,214,929	98,909
GLASTONBURY	532	373	282,926,474	2,566,324
GOSHEN	93	114	44,158,150	453,739
GRANBY	176	124	77,142,495	612,296
GREENWICH	915	734	2,626,226,923	41,551,987
GRISWOLD	225	175	68,274,795	653,531
GROTON	467	364	195,556,478	2,771,421
GUILFORD	419	312	262,078,857	2,675,938
HADDAM	140	126	53,538,628	452,902
HAMDEN	819	453	273,307,714	2,406,523
HAMPTON	48	33	11,009,100	91,958
HARTFORD	861	571	210,877,262	2,736,493
HARTLAND	27	17	7,978,130	61,049
HARWINTON	91	83	31,353,320	282,509
HEBRON	127	95	46,879,925	422,982
KENT	45	34	21,577,469	217,782
KILLINGLY	373	196	106,447,935	988,075
KILLINGWORTH	77	94	33,112,057	268,867
LEBANON	117	96	31,987,214	256,216
LEDYARD	300	166	103,542,451	808,165
LISBON	83	51	21,697,461	174,331
LITCHFIELD	152	171	76,532,771	716,710
LYME	51	62	39,630,400	364,579
MADISON	320	275	229,893,327	2,214,675
MANCHESTER	776	454	228,593,861	3,087,647
MANSFIELD	195	154	57,991,472	1,271,782
MARLBOROUGH	91	75	40,958,051	337,051
MERIDEN	810	434	226,287,797	2,053,939

REAL ESTATE CONVEYANCE TAX (cont.)
Fiscal Year 2024-25 Conveyances

Revised November 2026

Municipality	Taxable Conveyances	Nontaxable and Exempt Conveyances	Consideration for Taxable Conveyances	Tax Due
MIDDLEBURY	136	103	68,820,803	600,847
MIDDLEFIELD	11	13	3,872,995	32,797
MIDDLETOWN	596	425	181,560,240	2,067,725
MILFORD	829	557	409,586,553	3,949,799
MONROE	267	180	145,417,469	1,225,717
MONTVILLE	344	209	96,364,815	910,000
MORRIS	42	36	26,738,375	270,983
NAUGATUCK	465	325	140,460,058	1,183,486
NEW BRITAIN	831	481	234,374,958	2,165,519
NEW CANAAN	344	220	712,654,502	10,105,944
NEW FAIRFIELD	207	176	113,341,668	1,016,780
NEW HARTFORD	105	95	38,654,610	435,300
NEW HAVEN	931	862	309,100,198	4,338,925
NEWINGTON	461	306	145,736,073	1,703,701
NEW LONDON	315	219	85,809,644	801,574
NEW MILFORD	457	304	187,908,737	1,728,472
NEWTOWN	400	297	239,875,443	2,120,034
NORFOLK	37	53	16,455,431	147,143
NORTH BRANFORD	176	154	69,793,783	568,597
NORTH CANAAN	50	35	8,414,314	125,987
NORTH HAVEN	284	250	117,437,457	1,193,809
NORTH STONINGTON	98	121	39,030,952	411,477
NORWALK	1,101	671	826,650,351	9,403,743
NORWICH	748	408	182,165,024	1,651,182
OLD LYME	156	232	97,177,575	833,180
OLD SAYBROOK	236	217	155,462,322	1,666,611
ORANGE	173	144	98,436,474	957,287
OXFORD	160	164	75,508,345	795,825
PLAINFIELD	288	182	82,057,381	819,620
PLAINVILLE	302	204	91,332,337	860,783
PLYMOUTH	210	141	58,596,551	644,017
POMFRET	63	41	34,294,997	192,602
PORTLAND	139	121	51,327,851	449,517
PRESTON	105	77	22,869,518	198,185
PROSPECT	113	100	39,196,926	347,573
PUTNAM	168	114	50,330,336	446,998
REDDING	149	100	130,848,782	1,202,864
RIDGEFIELD	365	272	367,744,922	3,600,889
ROCKY HILL	260	205	97,178,544	1,071,925
ROXBURY	66	49	72,564,167	812,675

REAL ESTATE CONVEYANCE TAX (cont.)
Fiscal Year 2024-25 Conveyances
Revised November 2026

Municipality	Taxable Conveyances	Nontaxable and Exempt Conveyances	Consideration for Taxable Conveyances	Tax Due
SALEM	81	41	26,000,959	326,864
SALISBURY	85	97	85,502,869	1,048,248
SCOTLAND	27	20	7,183,747	56,850
SEYMOUR	193	160	67,499,425	768,717
SHARON	64	74	45,854,565	401,117
SHELTON	552	350	268,483,911	3,044,461
SHERMAN	75	69	41,967,765	373,787
SIMSBURY	356	237	167,690,353	1,444,464
SOMERS	153	103	60,625,292	517,991
SOUTHBURY	464	276	184,144,709	1,548,178
SOUTHINGTON	652	539	252,789,123	2,472,520
SOUTH WINDSOR	434	288	172,280,249	2,707,698
SPRAGUE	42	38	12,428,400	98,091
STAFFORD	257	159	52,403,602	500,629
STAMFORD	1,552	918	1,098,640,536	12,114,569
STERLING	64	50	16,667,089	192,016
STONINGTON	376	287	232,840,684	2,709,767
STRATFORD	740	525	312,224,209	2,929,198
SUFFIELD	233	194	95,843,078	864,553
THOMASTON	93	95	29,738,444	286,810
THOMPSON	156	120	51,337,279	418,806
TOLLAND	189	176	77,169,967	648,936
TORRINGTON	611	367	161,356,540	2,102,838
TRUMBULL	398	330	250,673,028	2,301,129
UNION	18	25	3,206,750	30,928
VERNON	389	251	108,174,132	940,179
VOLUNTOWN	45	61	18,743,490	149,960
WALLINGFORD	561	383	200,248,867	2,167,922
WARREN	34	44	21,593,800	211,670
WASHINGTON	84	73	106,094,786	1,232,351
WATERBURY	1,395	854	372,394,058	3,729,964
WATERFORD	314	286	119,115,010	1,056,358
WATERTOWN	324	222	118,468,137	1,080,843
WESTBROOK	186	242	70,628,312	664,445
WEST HARTFORD	899	565	454,669,596	4,071,551
WEST HAVEN	674	367	218,083,654	2,605,966
WESTON	159	117	215,907,509	2,228,760
WESTPORT	475	336	1,032,996,510	14,329,711
WETHERSFIELD	332	261	132,752,377	1,187,943
WILLINGTON	84	37	23,616,185	193,637
WILTON	298	135	341,229,352	4,395,868

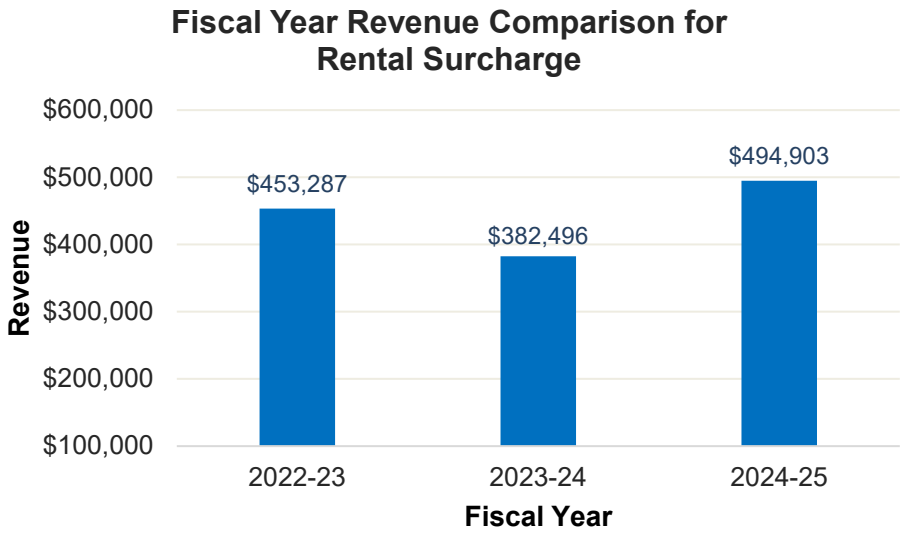
REAL ESTATE CONVEYANCE TAX (cont.)
Fiscal Year 2024-25 Conveyances

Revised November 2026

Municipality	Taxable Conveyances	Nontaxable and Exempt Conveyances	Consideration for Taxable Conveyances	Tax Due
WINCHESTER	178	141	50,483,004	609,936
WINDHAM	282	184	61,744,268	577,640
WINDSOR	425	280	134,339,778	1,943,290
WINDSOR LOCKS	231	142	59,911,973	643,936
WOLCOTT	218	188	77,072,712	647,757
WOODBRIDGE	150	82	94,922,650	800,794
WOODBURY	182	115	81,889,192	697,607
WOODSTOCK	153	123	53,721,989	431,701
TOWN UNKNOWN	172	170	50,483,004	646,393
Total	**49,932**	**35,627**	**$25,845,463,470**	**$291,359,829**

RENTAL SURCHARGE
Connecticut General Statutes
Chapter 228h

The Rental Surcharge is imposed on the rental of machinery by a rental company. The surcharge is imposed on machinery rented for a period of less than 365 days, or under an open-ended contract for an undefined period. See Rental Surcharge Information on the DRS website.



Basis and Rate

2.75% of the total rental charges on machinery.

Number of Taxpayers / Filing Frequency

38 taxpayers / Annually

Comparative Data

Gross collections of the surcharge by rental companies during FY 2024-25 amounted to $2,750,767. Rental companies retained the difference between gross collections and the amounts remitted to reimburse personal property taxes and titling and registration fees paid in Connecticut.

REPEALED TAXES



BUSINESS ENTITY TAX (Chapter 228z)
The following business entities were subject to a Business Entity Tax if they were formed under Connecticut law or were foreign entities that were transacting business in Connecticut and required to register with or obtain a certificate of authority from the Connecticut Secretary of the State:

- *S corporations (Qualified subchapter S subsidiaries (QSSS) were not liable);*
- *Limited liability companies (LLCs or SMLLCs) that, for federal income tax purposes, were either:*
  - *Treated as a partnership, if it had two or more members*; **or**
  - *Disregarded as an entity separate from its owner, if it had a single member*;
- *Limited liability partnerships (LLPs); and*
- *Limited partnerships (LPs).*

Public Act 19-117 sunset the Connecticut Business Entity Tax with the 2017 and 2018 biennial period.

Revenue collected for Fiscal Year 2024-25: ($686,027)

GIFT TAX (Chapter 228c)
The Connecticut Gift Tax applied to Connecticut taxable gifts made prior to January 1, 2005, that had been taxable for federal purposes. The Gift Tax was replaced by the Estate and Gift Tax for taxable gifts made on or after January 1, 2005.

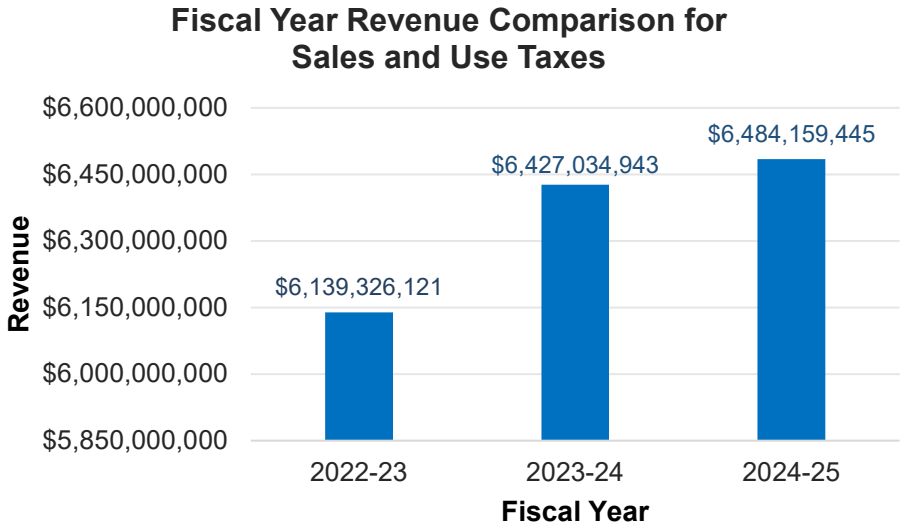
Revenue collected for Fiscal Year 2024-25: $37,692

SUCCESSION TAX (Chapter 216)
The Succession Tax was levied on the transfer of property after death, with rates that varied depending on the size of the estate and the relationship of the decedent to the beneficiary. The Connecticut Succession Tax does not apply to estates of decedents dying on or after January 1, 2005.

Revenue collected for Fiscal Year 2024-25: $60,988

SALES AND USE TAXES
Connecticut General Statutes
Chapter 219

Connecticut levies sales and use taxes on the gross receipts of retailers from the sale of tangible personal property at retail, from the rental or leasing of tangible personal property, and on the gross receipts from the rendering of certain services. See Sales and Use Tax Information on the DRS website.



Basis and Rate

6.35%	on the gross receipts from the sale, rental or leasing of tangible personal property, and the rendering of certain services (general rate);
7.35%	on the sale of meals and certain drinks;
7.75%	This tax rate applies to: • Most motor vehicles with a sales price of more than $50,000; • Items of jewelry with a sales price of more than $5,000; and • Articles of clothing or footwear or a handbag, luggage, umbrella, wallet, or watch, with a price of more than $1,000.
1.0%	on computer and data processing services;
2.99%	for sales and purchases of vessels, motors for vessels, and trailers used for transporting a vessel;
4.5%	on the sale of a motor vehicle to a nonresident member of the United States armed forces serving on active duty in Connecticut;
9.35%	for the rental or leasing of a passenger motor vehicle for a period of 30 consecutive calendar days or less;
11.0%	for occupancy in bed and breakfast establishments;
15.0%	for the rental of rooms in a hotel or lodging house

SALES AND USE TAXES (cont.)

FY 2024-25 SALES TAX EXEMPTIONS

(In Millions)

Deductible Item	Total Deductions	Revenue Forgone
Sale for Resale – Goods	$117,077.8	$7,443.2
Sale for Resale – Leases and Rentals	2,290.4	156.6
Sale for Resale – Labor and Services	3,542.8	225.0
Magazines by Subscription and All Newspapers	93.7	5.9
Trucks with Gross Vehicle Weight Over 26,000 Pounds or Used for Interstate Freight	167.1	10.6
Food Products for Human Consumption	10,778.5	689.4
Fuel for Motor Vehicles	7,746.7	491.9
Electricity/Gas/Heating Fuel (residential)	3,063.1	194.5
Electricity ($150 monthly per business)	167.8	10.7
Electricity/Gas/Heating Fuel for Manufacturing or Agricultural Production	970.1	61.6
Aviation Fuel	395.2	25.1
Sales of Tangible Personal Property to Farmers	124.7	7.9
Machinery/Materials/ Tools/Fuel – Mfg. Product	2,084.1	132.3
Machinery/Materials/ Equip. – Printing	38.2	2.4
Machinery/Materials/ Tools/Fuel – Comm. Fishing	92.1	5.8

SALES AND USE TAXES (cont.)

FY 2024-25 SALES TAX EXEMPTIONS (cont.)

(In Millions)

Deductible Item	Total Deductions	Revenue Forgone
Out-of-State – Sale of Goods	30,460.0	1,936.3
Out-of-State – Leases/Rentals	766.7	49.8
Out-of-State – Labor and Services	15,760.6	1,000.8
Sales of Motor Vehicles, Vessels to Nonresidents	1,699.2	117.0
Prescription Medicines	10,863.7	689.8
Nonprescription Drugs and Medicines	359.7	22.8
Charitable/Religious – Sale of Goods	1,384.9	89.1
Charitable/Religious – Leases and Rentals	77.1	4.9
Charitable/Religious – Labor and Services	1,204.8	76.5
Government – Sale of Goods	15,110.0	960.5
Government – Leases and Rentals	75.2	4.8
Government – Labor and Services	9,605.4	609.9
Pollution Abatement	6.3	0.4
Non-Taxable Labor and Services	26,389.5	1,675.7
Business Services/Parent Owned Subs.	793.5	50.4
Trade-ins of Like-Kind Personal Property	1,249.9	85.6
Taxed Goods returned within 90 days	166.2	10.6
Oxygen, Plasma, Prostheses, etc.	471.1	29.9
Funeral Expenses up to $2,500	113.1	7.2
Repair or Replacement Parts/Repair Services to Aircraft	1,457.8	92.6

SALES AND USE TAXES (cont.)

FY 2024-25 SALES TAX EXEMPTIONS (cont.)

(In Millions)

Deductible Item	Total Deductions	Revenue Forgone
Certain Machinery – Manufacturing Recovery Act of 1992 (Difference between the Full and 3% Rates)	27.5	1.7
Sales of Machinery, Equipment, Tools, Fuel, and Supplies used in the Biotechnology Industry	46.4	2.9
Sales of Repair and Maintenance Service to Vessels	75.1	4.8
Computer and Data Processing Services (Difference between the Full and 1% Rates)	8,521.7	541.1
Renovation Services to Residential Property	1,211.7	76.9
Sales to Direct Payment Permit Holders	954.4	60.6
Sales of College Textbooks	26.2	1.7
Sales Tax Holidays	29.4	1.9
Motor Vehicles Sold to Armed Forces (Difference between the Full and 4.5% Rates)	1.8	0.1
Purchases of Cigarettes Taxed by a Distributor	528.7	33.6
Sales of Vessels and Motors or Trailers for Vessels (Difference between the Full and 2.99% Rates)	730.1	46.4
Other Adjustments – Sales of Goods	25,842.2	1,642.8
Other Adjustments – Leases and Rentals	533.2	34.3
Other Adjustments – Labor and Services	2,043.8	129.8
TOTAL	**$307,218.8**	**$19,556.4**

Number of Taxpayers / Filing Frequency

198,378	**Sales & Use Taxpayers**
9,574	Annual
34,685	Quarterly
70,573	Monthly
83,546	Filers with no tax due

715	**Room & Occupancy Taxpayers**
595	Monthly
120	Quarterly

Comparative Data

Table I provides a summary of collection amounts attributed to each component of the Sales and Use taxes. Revenue from required license payments are included in both Sales and Use and Room Occupancy collections.

Table I
Sales and Use Tax Collections
Fiscal Years 2023 – 2025

	FY 2022-23	FY 2023-24	FY 2024-25
Sales and Use	$5,975,522,983	$6,250,195,204	$6,307,768,694
Individual Use	6,827,183	15,134,000	5,690,881
Room Occupancy	156,975,955	161,705,739	170,699,871
Total Tax	**$6,139,326,121**	**$6,427,034,943**	**$6,484,159,445**

SALES AND USE TAXES (cont.)

Table II provides a summary of all gross receipts reported under the sales and use taxes attributable to various components. Note that the figures are gross, and do not necessarily represent taxable receipts.

Table II
Gross Receipts Reported on Sales Tax Returns
Periods Ending in Fiscal Year 2024-25
(In Millions)

Tax Rate	Sales of Tangible Personal Property	Leasing/Rental of Tangible Personal Property	Sales of Services
6.35% - General Rate	$302,477.5	$3,801.5	$68,952.5
7.35% - Meals and Beverages	12,715.1	0	0
7.75% - Luxury Goods	4,393.9	707.6	0
9.35% - Motor Vehicle Rental	0	320.3	0

Table III provides a summary of taxable receipts reported under the sales and use taxes attributable to room occupancy and the rental or leasing of passenger motor vehicles for a period of 30 consecutive calendar days or less.

Table III
Taxable Receipts
Periods Ending in Fiscal Year 2024-25
(In Millions)

Taxable Receipts Attributable to:	Tax Rate	Taxable Receipts
Room Occupancy in Hotel or Lodging House	15%	$1,121.8
Room Occupancy in Bed and Breakfast Establishments	11%	6.2
Rental or Leasing of Motor Vehicles for 30 days or less	9.35%	318.2

Table IV provides a summary of taxable purchases subject to business use taxes.

Table IV
Purchases Subject to Business Use Tax
Periods Ending in Fiscal Year 2024-25
(In Millions)

Tax Rate	Purchases of Tangible Personal Property	Leasing/Rental of Tangible Personal Property	Purchases of Services
6.35% - General Rate	$6,176.9	$38.9	$3,257.0
7.35% - Meals and Beverages	7.8	0	0
7.75% - Luxury Goods	0.6	9.7	0
9.35% - Motor Vehicle Rental	0	0.1	0

Table V provides a summary of the Film Production Tax Credit claims under sales and use tax.

Table V
Film Production Tax Credit Claims for Fiscal Year 2024-25

Fiscal Year	Number of Claims	Tax Credit Claimed
FY 2024-25	6	$27,590,180
FY 2023-24	12	7,059,475

Table VI on the following page provides total sales and use taxes revenues by the economic activities sectors of the North American Industry Classification System (NAICS) for Fiscal Year 2024-25. The revenues are from regular payments and represent 95% of the total sales and use taxes collected in FY 2024-25.

SALES AND USE TAXES (cont.)

TABLE VI: Sales & Use Tax - From Periods Ending in Fiscal Year 2024-25

(In Millions)

	Tax Due at 6.35%	Tax Due at 7.35%	Tax Due at 7.75%	Total Tax Due (Includes 9.35% Rate)
22 Utilities	$183.7	$0.0	$0.0	$183.7
23 Construction	216.5	1.6	0.0	218.1
31-33 Manufacturing	301.2	16.0	0.5	317.7
42 Wholesale Trade	320.6	1.7	1.4	323.7
441 Motor Vehicle and Parts Dealers	*482.1*	*0.0*	*137.8*	*620.2*
442 Furniture and Home Furnishings	*118.9*	*0.0*	*0.0*	*118.9*
443 Electronics and Appliance Stores	*89.8*	*0.0*	*0.0*	*89.8*
444 Building Material & Garden Equipment	*256.0*	*0.0*	*0.0*	*256.3*
445 Food and Beverage Stores	*210.2*	*61.9*	*0.0*	*272.1*
446 Health and Personal Care Stores	*51.2*	*0.9*	*0.2*	*52.3*
447 Gasoline Stations	*30.7*	*6.6*	*1.6*	*39.0*
448 Clothing and Clothing Accessories Stores	*216.5*	*0.6*	*21.4*	*238.4*
451 Sporting Goods, Hobby, Book Stores	*57.1*	*0.9*	*0.0*	*58.0*
452 General Merchandise Stores	*255.4*	*3.0*	*0.5*	*258.9*
453 Miscellaneous Store Retailers	*268.9*	*7.9*	*7.4*	*284.1*
454 Non-store Retailers	*545.2*	*3.5*	*2.2*	*550.9*
44-45 Retail Sector Subtotal	2,582.1	85.1	171.1	2,838.9
51 Information	318.0	36.4	2.2	356.7
52 Finance and Insurance	93.2	0.0	2.7	95.9
53 Real Estate and Rental and Leasing	142.8	1.2	18.6	187.7
54 Professional, Scientific and Technical Services	277.8	42.5	0.4	320.6
56 Administrative and Support	273.4	0.7	0.7	274.8
71 Arts, Entertainment & Recreation	39.0	17.2	0.0	56.2
72 Accommodation and Food Services	17.5	610.2	0.2	627.9
81 Other Services (except Public Admin)	262.4	6.2	12.8	281.3
All Other Businesses	136.8	6.2	3.1	150.0
TOTAL SALES & USE TAX	**$5,165.1**	**$824.9**	**$213.7**	**$6,233.4**

SALES AND USE TAXES (cont.)

Table VII below provides a summary of retail sales of goods for the state of Connecticut over the past three fiscal years. These sales include those goods that are exempt from the sales and use tax.

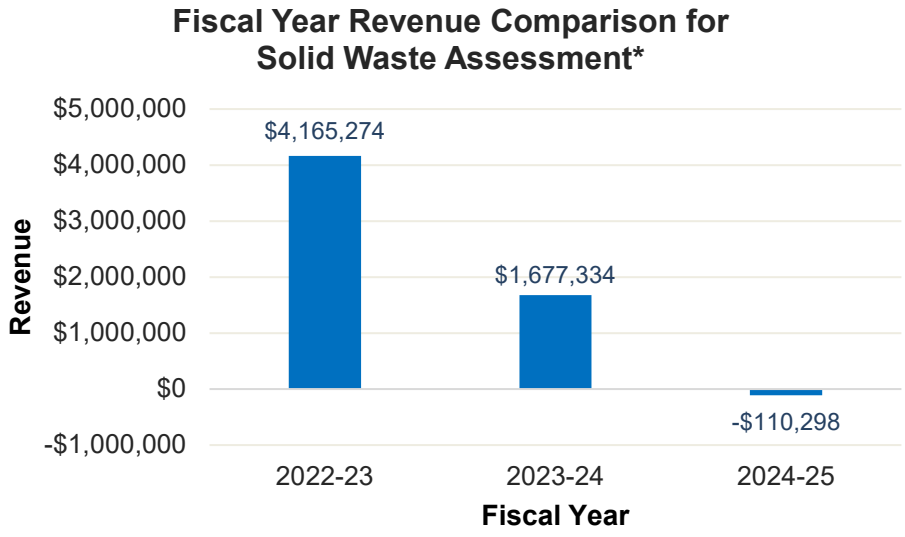
Data is provided for the Retail Trade subsectors within the North American Industry Classification System (NAICS). Approximately 44% of all the sales and use tax revenue is generated by the retail trade sector.

TABLE VII:
Retail Sales Volume - Fiscal Years 2023 – 2025
(In Millions)

	FY 2022-23	FY 2023-24	FY 2024-25
Motor Vehicle and Parts Dealers *(NAICS 441)*	$14,317.8	$14,676.6	$13,196.6
Furniture and Home Furnishings Stores *(NAICS 442)*	2,336.7	2,132.8	2,135.4
Electronics and Appliance Stores *(NAICS 443)*	1,638.9	1,602.0	1,596.9
Building Material and Garden Equipment and Supplies Dealers *(NAICS 444)*	4,616.6	4,505.4	4,514.7
Food and Beverage Stores *(NAICS 445)*	13,279.2	13,794.3	14,559.6
Health and Personal Care Stores *(NAICS 446)*	6,014.7	6,453.9	6,786.6
Gasoline Stations *(NAICS 447)*	4,748.8	4,636.3	4,285.2
Clothing and Clothing Accessories Stores *(NAICS 448)*	3,819.4	3,866.3	3,900.7
Sporting Goods, Hobby, Book and Music Stores *(NAICS 451)*	1,055.0	1,035.2	1,053.2
General Merchandise Stores *(NAICS 452)*	7,125.7	7,522.6	7,490.3
Miscellaneous Store Retailers *(NAICS 453)*	9,381.9	9,249.2	9,318.5
Non-store Retailers *(NAICS 454)*	13,100.8	14,115.3	14,496.4
Total Retail Trade *(NAICS 44-45)*	**$81,435.5**	**$83,590.0**	**$83,334.2**

SOLID WASTE ASSESSMENT
Connecticut General Statutes
Chapter 446d

The Solid Waste Assessment is levied on the owners of commercial resources recovery facilities that process municipal solid waste to reclaim energy.



**Revenue amounts reflect deposits adjusted into other tax types.*

Basis and Rate

$1.50 per ton of solid waste processed.

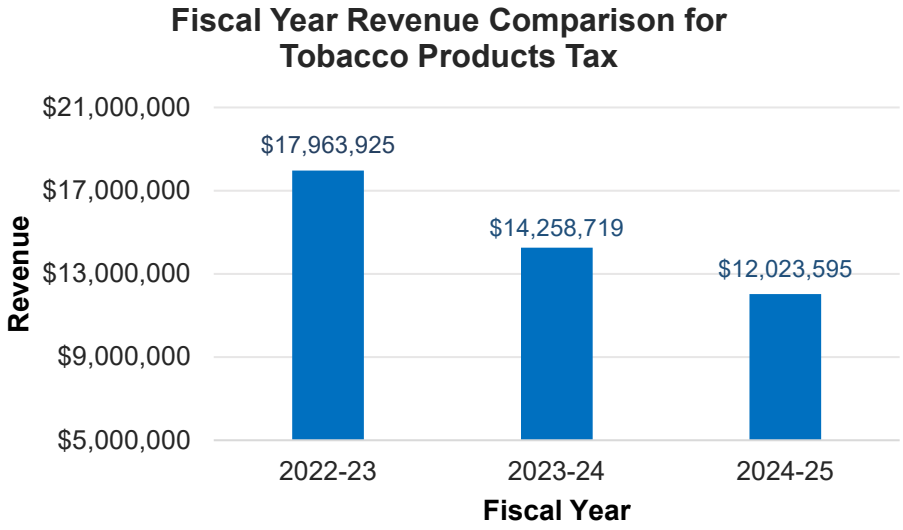
Comparative Data

Fiscal Year Solid Waste Assessment Tax Liability

Fiscal Year	# of Taxpayers	Tons of Solid Waste	Tax Due
FY 2024-25	4	1,382,442	$2,073,666
FY 2023-24	4	1,434,403	$2,151,608
FY 2022-23	5	1,387,050	$2,080,579

TOBACCO PRODUCTS TAX
Connecticut General Statutes
Chapter 214a

An excise tax is imposed on all non-cigarette tobacco products such as cigars, stogies, snuff, pipe and chewing tobacco. The tax is imposed when the tobacco products are manufactured, imported, or purchased by distributors. Distributors must be licensed annually and remit the tax on a monthly basis. See Tobacco Products Tax Information on the DRS website.



Basis and Rate

- Tobacco products are taxed at 50% of the wholesale sales price, except for snuff and cigars in excess of $1.00 per cigar.
- Cigars are taxed at 50% of the wholesale sales price, not to exceed 50¢ per cigar.
- Snuff tobacco products are taxed at $3.00 per ounce.

  Note: The tax on tobacco products is reduced by 50% for any product the Secretary of the United States Department of Health and Human Services determines to be a "modified risk tobacco product" pursuant to 21 U.S.C. §387k.

Number of Taxpayers / Filing Frequency

121 distributors / Monthly

TOBACCO PRODUCTS TAX (cont.)

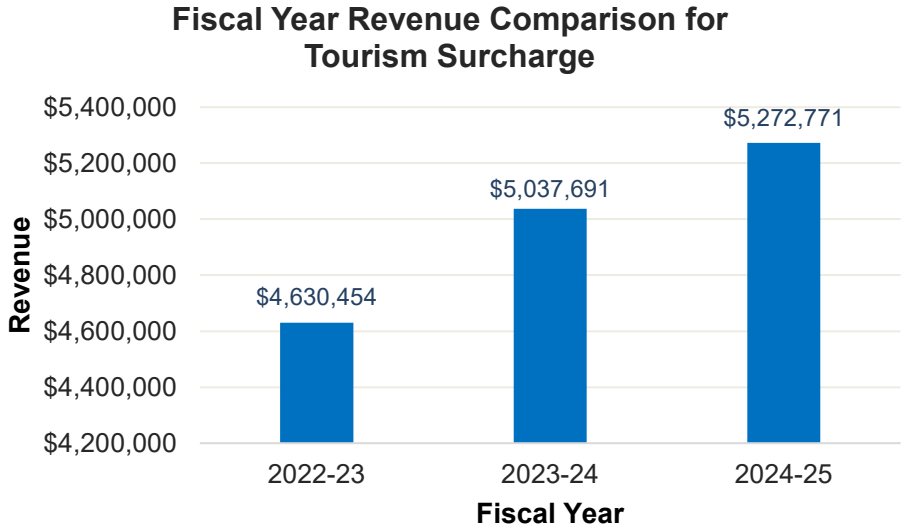
Comparative Data

Type	FY 2022-23	FY 2023-24	FY 2024-25
Snuff Tobacco Products	$8,680,185	$7,041,711	$5,748,888
Cigars in excess of $1.00 per cigar	1,233,365	1,158,836	1,034,749
Other Tobacco Products*	7,699,392	5,485,403	4,731,523

*Other Tobacco Products consists of all taxable tobacco products other than snuff and cigars in excess of $1.00 per cigar.

TOURISM SURCHARGE
Connecticut General Statutes
Chapter 228e

A surcharge is levied on the rental and leasing of passenger motor vehicles for a period of thirty consecutive calendar days or less. Revenues generated by the surcharge are deposited into the General Fund. See Tourism Surcharge Information on the DRS website.



Basis and Rate

$1.00 per day or portion of a day, for the rental or lease of a passenger motor vehicle delivered to a lessee in Connecticut (regardless of where the vehicle is subsequently used) for a term of 30 consecutive calendar days or less.

Number of Taxpayers / Filing Frequency

19 taxpayers / Monthly
51 taxpayers / Quarterly

TRANSPORTATION NETWORK COMPANY FEE
Connecticut General Statutes
Chapter 244c

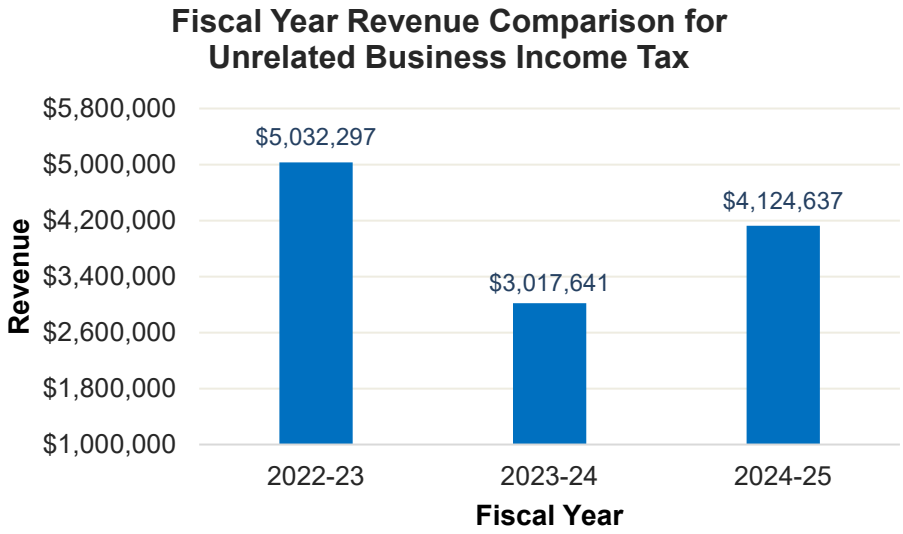
Each transportation network company pays a fee on each prearranged ride that originates in this state. Revenue from this fee is reported together with the Dues tax. See Transportation Network Company Fee Information on the DRS website.

Basis and Rate

30¢ on each prearranged ride that originates in Connecticut.

UNRELATED BUSINESS INCOME TAX
Connecticut General Statutes
Chapter 208a

The Unrelated Business Income Tax is imposed on any trade or business conducted by a tax-exempt organization that does not substantially relate to its tax-exempt purpose. The tax is paid at the same rate as the Corporation Business Tax. See Unrelated Business Income Tax Information on the DRS website.



Basis and Rate

7.5% of the unrelated business income of the organization. A surtax of 10% applies to organizations whose gross income is $100 million or more for income years 2018 through 2028.

No minimum tax is required.

Number of Taxpayers / Filing Frequency

490 organizations / Annually

Credits

For the 2023 income year, 27 taxpayers claimed $74,125 in electronic data processing equipment property tax credits.

PENALTY AND INTEREST RECEIPTS

Failure to pay taxes or file tax returns in a timely manner generally results in a penalty to the taxpayer of $50 or 10% of the tax due, whichever is greater. If the taxpayer is subject to a penalty for late payment, the late filing penalty is not applicable. Penalties can also be imposed on tax returns which are not submitted as true, complete, and correct; either through negligence or an intent to evade.

The penalty for the late payment of Sales and Use taxes is 15% of the amount due, or $50, whichever is greater. The penalty for failure to pay the use tax with the Connecticut income tax return is 10%, reduced from 15%, to parallel the rate for the income tax.

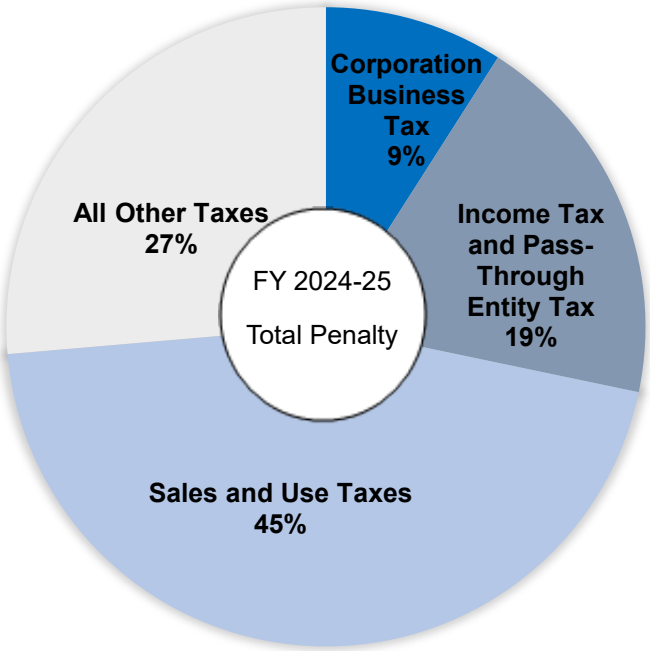
Interest is also charged on any amount of tax due that is not paid on or before the due date or on the underpayment of estimated tax requirements. Interest is charged on a monthly basis at a rate of 1% per month from the due date.

Generally, tax payments satisfy penalty first, then interest, then tax, in that order.

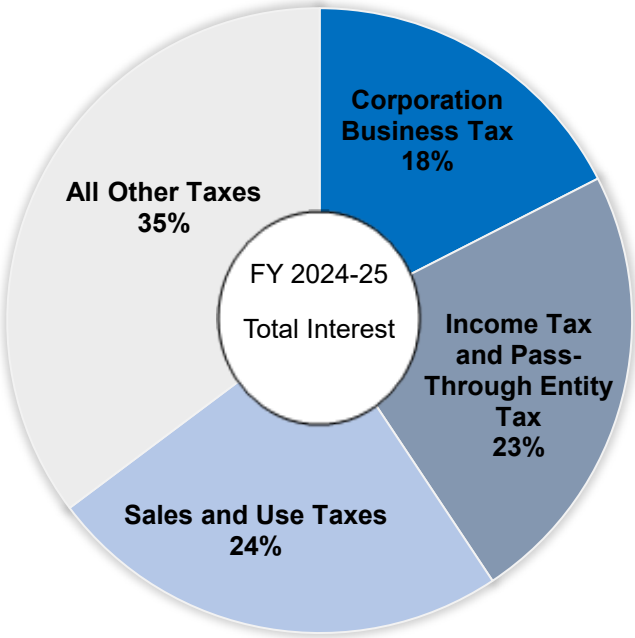
Penalty and Interest Revenue By Tax Source			
Tax Type		**FY 2023-24**	**FY 2024-25**
Corporation Business Tax	Penalty	$4,543,976	$4,943,062
	Interest	14,951,736	19,292,530
Income Tax and Pass-Through Entity Tax	Penalty	7,011,277	10,509,766
	Interest	22,645,926	25,562,858
Sales & Use Taxes	Penalty	23,967,299	24,781,505
	Interest	21,329,519	26,587,489
All Other Taxes	Penalty	11,550,811	14,404,513
	Interest	35,222,713	38,863,230
Total	**Penalty**	**$47,073,362**	**$54,638,846**
	Interest	**$94,149,893**	**$110,306,107**

PENALTY AND INTEREST RECEIPTS (cont.)

FY 2024-25 TOTAL PENALTY



FY 2024-25 TOTAL INTEREST



TAX REFUNDS

The tax refund amounts shown below represent refund claims made by taxpayers and processed by the Department of Revenue Services for the most recent three fiscal years below.

Refund claims of the Personal Income Tax owed to any person or entity with a debt obligation to Connecticut, the Internal Revenue Service or another reciprocating state may be withheld to offset the outstanding debt. There were 58,725 external offsets totaling $32,311,560 in Fiscal Year 2024-25, compared to 35,388 external offsets that totaled $17,012,238 in Fiscal Year 2023-24.

AMOUNT OF TAXES REFUNDED			
	FY 2022-23	**FY 2024-25**	**FY 2024-25**
Alcoholic Beverages	$223,818	$552,114	$226,026
Ambulatory Surgical Center	5,958	46,897	0.00
Beverage Container Deposits	1,316,113	252,966	215,923
Business Entity Tax (Repealed)	3,053,211	3,512,042	216,225
Cable, Satellite & Video Companies Tax	7,768,542	8,123,481	8,080,180
Cigarette Tax	440,800	609,829	384,427
Controlling Interest Transfer Tax	918,980	1,953,299	702,185
Corporation Business	129,918,479	159,342,364	98,690,999
Corporation R&D Credit Buyback	6,061,233	9,027,570	6,449,150
Dry Cleaning Establishment Surcharge	3,208	2,942	1,592
Dues Tax	163,571	54,642	142,884
Electric & Power Companies	243,419	2,885,381	517,756
Electronic Cigarette Products	480,995	17,405	7,876
Estate & Gift Tax	24,723,155	16,569,854	15,275,877
Gas Companies	77,411	40,473	21,110
Gift Tax (Repealed)	37,159	0	0
Health Care Centers Tax	82,579	87,265	361,553
Healthcare Provider Taxes and Fees	468,599	536,061	121,826
Highway Use Fee	107,676	377,386	215,945
Income Tax	1,618,558,632	1,739,374,987	1,710,822,546
Insurance Premiums Tax, Domestic	1,599,297	1,305,439	1,829,769
Insurance Premiums Tax, Foreign	8,252,408	10,247,377	15,754,156
Insurance, Non-admitted/Unauthorized	20,074	(3,342)	10,275

TAX REFUNDS (cont.)

AMOUNT OF TAXES REFUNDED (cont.)			
	FY 2022-23	**FY 2023-24**	**FY 2024-25**
Occupational Tax	473,930	310,286	345,821
Pass-Through Entity	139,701,810	143,620,836	162,524,517
PEG Account	10,919	2,174	0.00
Petroleum Products Gross Earnings	2,728,070	4,947,924	301,293
Pre-Paid Wireless	13,789	2,319	(708)
Real Estate Conveyance Tax	2,353,418	1,895,698	588,294
Room Occupancy Tax	191,406	285,054	327,930
Sales & Use Taxes	28,152,935	31,734,462	48,654,098
Solid Waste	0	288,131	2,956
Tobacco Products Tax	342,237	2,096,612	144,911
Unrelated Business Income Tax	884,603	973,696	1,035,908
Withholding	27,678,361	29,953,545	$32,868,150
Miscellaneous	69,821	45,531	75,867
Total	**$2,013,184,603**	**$2,176,241,528**	**$2,114,149,324**

CONNECTICUT
Revenue Services
FY 24-25 Annual Report



Prepared by:
Education & Outreach Unit
Research, Analytics, and Forecasting Unit