

# Form CT-1120A-SBC

## Corporation Business Tax Return

### Apportionment Computation - Securities Brokerage Services

**Enter Income Year** Beginning \_\_\_\_\_, \_\_\_\_\_, and Ending \_\_\_\_\_, \_\_\_\_\_

Corporation Name	Connecticut Tax Registration Number
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Complete this form in blue or black ink only.

Use **Form CT-1120A-SBC, Corporation Business Tax Return Apportionment Computation - Securities Brokerage Services**, to apportion net income from securities brokerage services.

According to Conn. Gen. Stat. §12-218b(k), a corporation must apportion income from securities brokerage services separately using **Form CT-1120A-SBC** (see Conn. Gen. Stat. §12-218(g)). If the corporation qualifies as a financial service company, all other income will be apportioned using **Form CT-1120A-FS, Corporation Business Tax Return Apportionment Computation of Income From Financial Service Company Activities** (see Conn. Gen. Stat. §12-218b). If the company does not qualify as a financial service company, all other income must be apportioned in accordance with the appropriate schedule.

**Instructions**

**Schedule R-SBC – Net Income Apportionment**

Complete *Schedule R-SBC* and enter the resulting apportionment fraction from Line 3 on **Form CT-1120, Corporation Business Tax Return, Schedule A**, Line 2, only if the corporation's entire net income is derived from securities brokerage services. If the corporation's net income is derived in part from sources other than securities brokerage services, complete *Schedule R-SBC* and *Schedule A-1*.

**Schedule A-1 – Computation of Connecticut Net Income**

Complete *Schedule A-1* if the taxable net income for a securities brokerage services company is derived in part from sources other than securities brokerage services.

**Definitions**

**Securities brokerage services** means services and activities including all aspects of purchasing and selling of securities rendered by a broker or dealer as defined in 15 USC §78c(a)(4), and registered under the provisions of 15 USC §§78a-78kk, inclusive.

**Securities brokerage services** do not include services rendered by a bank or any other person buying and selling securities for a person's own account either individually or in a fiduciary capacity.

**Securities** means security as defined in 15 USC §78c(a)(10).

**Brokerage commissions** include, but are not limited to all sales fees on agency or principal transactions, whether charged explicitly or implicitly.

**Domicile** of a customer shall be presumed to be the customer's mailing address on the records of the corporation.

<b>Schedule R-SBC – Net Income Apportionment</b>		
1. Brokerage commissions and total margin interest paid on behalf of brokerage accounts owned by taxpayer's customers who are domiciled in Connecticut	1.	
2. Brokerage commissions and total margin interest paid on behalf of brokerage accounts owned by taxpayer's customers wherever domiciled	2.	
3. Apportionment fraction for securities brokerage services company (Divide Line 1 by Line 2.)	3.	<b>0.</b> (Carry to six places.)

<b>Schedule A-1 – Computation of Connecticut Net Income</b>					
		Total Net Income	Column A Net income derived from securities brokerage services	Column B Net income derived from financial services other than securities brokerage services	Column C Net income derived from sources <b>other than</b> securities brokerage services or financial services
4. Net income from <b>Form CT-1120, Schedule A</b> , Line 1	4.				
5. Securities brokerage service company apportionment fraction from <i>Schedule R-SBC</i> , Line 3	5.		(Carry to six places) <b>0.</b>		
6. Financial service company apportionment fraction from <b>Form CT-1120A-FS</b> , Line 15	6.			(Carry to six places) <b>0.</b>	
7. Securities brokerage service company apportionment fraction from the applicable apportionment form	7.				(Carry to six places) <b>0.</b>
8. Balances after apportionment (Multiply Line 4, Column A, by Line 5, Column A. Multiply Line 4, Column B, by Line 6, Column B. Multiply Line 4, Column C, by Line 7, Column C.)	8.				
9. <b>Securities Brokerage Service Company Connecticut Net Income</b> (Add Line 8, Column A, Column B, and Column C.) Enter the total here and on <b>Form CT-1120, Schedule A</b> , Line 3. Make no entries on <b>Form CT-1120, Schedule A</b> , Line 1 and Line 2.	9.				