

Form CT-1120U

Unitary Corporation Business Tax Return Instructions

(Rev. 12/07)

General Information

Who May File Form CT-1120U

If the taxpayer, in computing net income under Conn. Gen. Stat. §12-217, is required to add back otherwise deductible interest expenses and costs directly or indirectly paid, accrued, or incurred to one or more related members, the taxpayer may elect to calculate its tax on a unitary basis using **Form CT-1120U**, including all members of the unitary group provided there are substantial intercorporate business transactions among such included corporations.

Who Must File Form CT-1120CR

If the taxpayer petitions the Commissioner to file a combined corporation business tax return on a unitary basis, because the statutory method of determining the taxpayer's combined measure of the tax is deemed by the taxpayer to unfairly attribute an undue proportion of its taxable income or minimum tax base to Connecticut, and the petition is granted by the Commissioner, the taxpayer must calculate its tax as stated in the Commissioner's letter, filing **Form CT-1120CR**, *Combined Corporations Business Tax Return*.

Definition of a Unitary Business

A **Unitary Business** is characterized by significant flows of value evidenced by factors such as those described in *Mobil Oil Corp. v. Vermont*, 445 U.S. 425 (1980): functional integration, centralization of management, and economies of scale. These factors provide evidence of whether the business activities operate as an integrated whole or exhibit substantial mutual interdependence. Facts suggesting the presence of the factors mentioned above should be analyzed in combination for their cumulative effect and not in isolation.

Consent and Notice of Election

Each corporation that consents to be included in a Unitary Corporation Business Tax Return must submit **Form CT-1120CC**, *Combined Return Consent*, for the initial income year for which the election is being made. The election to file a unitary return must be made by the electing corporations not later than the due date or the extended due date of the returns for which the election is made. The election to file a unitary return must be in effect for at least five income years, and will continue in effect thereafter until it is revoked.

Change of Election

Any corporation that has elected to file a unitary return may subsequently revoke its election; however, the revocation will not be effective before the fifth income year immediately following the initial income year in which the corporation elected to file a unitary return. The election to discontinue the unitary filing must be submitted in writing on **Form CT-1120CC-R**, *Revocation of Election and Consent to File Combined Corporation Business Tax Return*, by each corporation included in the unitary return. The election must be made by the electing corporations by the due date or the extended due date of the return for the initial income year for which the election is made.

Calculation of the Unitary Tax

The unitary return is subject to the following:

- The unitary group must meet the definition of a unitary business as stated above;
- The unitary tax is calculated using *water's edge* combined reporting;
- The unitary group must use a three factor apportionment formula consisting of property, payroll, and double weighted gross receipts under Conn. Gen. Stat. §12-218(c);
- Each corporation included in the unitary group is subject to the minimum tax under Conn. Gen. Stat. §12-219; **and**
- The unitary group must calculate the capital base tax under Conn. Gen. Stat. §12-219 on a unitary basis. In calculating the capital base tax, intercompany stock holdings should be eliminated;

Special Instructions for First Year Unitary Filers

- The unitary group cannot use net operating losses that have been carried forward from returns filed prior to the establishment of the Connecticut unitary group. Only losses incurred by the unitary group in the first year of the unitary return, and thereafter, can be taken on the unitary return;
- The unitary group cannot use tax credits that were earned prior to the establishment of the Connecticut unitary group. Only tax credits earned by the unitary group in the first year of the unitary return, and thereafter, can be claimed on the unitary return; **and**
- If the taxpayer elects to file on a unitary basis, the election is irrevocable for five successive income years.

General Computation

The unitary tax shall be measured by the combined entire net income of all the corporations included in the return as if they were one corporation. In computing combined entire net income, intercorporate dividends shall be eliminated. The combined entire net income of such corporations shall be apportioned to Connecticut as if they were one corporation, and the provisions of Conn. Gen. Stat. §12-223b governing intercompany rents and business receipts shall apply.

Attachments Required

Attach to Form CT-1120U a complete copy of the federal consolidated return, including income statements and balance sheets, federal M-1 adjustments, and a schedule of intercompany eliminations as filed with the Internal Revenue Service (IRS).

Form CT-1120 must be completed and attached to Form CT-1120U, for each corporation included in the unitary group.

Form CT-1120Q, *Connecticut Corporate Unitary Questionnaire*, must be completed and attached to Form CT-1120U.

Form CT-1120AB, *Add Back and Exceptions to Add Back of Interest and Intangible Expenses*, must be completed and attached to Form CT-1120U if applicable.

All applicable tax credit forms, schedules, and any other required forms must be attached to and made part of this tax return for each corporation included in the unitary group.

When to File Form CT-1120U

Every corporation must file a return on or before the first day of the month following the due date of the company's corresponding federal income tax return for the income year (April 1 for calendar year taxpayers). In the case of any company that is not required to file a federal income tax return for the income year, the Connecticut unitary corporation business tax return is due on or before the first day of the fourth month following the end of the income year. If the due date falls on a Saturday, Sunday, or legal holiday, the next business day is the due date. The return will meet the timely filed and timely payment rules if the U.S. Postal Service cancellation date, or the date recorded or marked by a designated private delivery service (PDS) using a designated type of service, is on or before the due date. Not all services provided by these designated PDSs qualify.

The following are the designated PDSs and designated types of service at the time of publication:

DHL Express (DHL) <ul style="list-style-type: none">• DHL Same Day Service• DHL Next Day 10:30 am• DHL Next Day 12:00 pm• DHL Next Day 3:00 pm• DHL 2nd Day Service	
Federal Express (FedEx) <ul style="list-style-type: none">• FedEx Priority Overnight• FedEx Standard Overnight• FedEx 2Day• FedEx International Priority• FedEx International First	United Parcel Service (UPS) <ul style="list-style-type: none">• UPS Next Day Air• UPS Next Day Air Saver• UPS 2nd Day Air• UPS 2nd Day Air A.M.• UPS Worldwide Express Plus• UPS Worldwide Express

This list is subject to change. See **Policy Statement 2005(12)**, *Designated Private Delivery Services and Designated Types of Service*.

If Form CT-1120U is filed late, see *Interest and Penalties* on Page 3, to determine if interest and penalty should be reported with this return.

Extension Request

To get an extension of time to file the annual return, the unitary group must file **Form CT-1120 EXT**, *Application for Extension of Time to File Corporation Business Tax Return*, not later than the first day of the month following the due date of the unitary group's corresponding federal income tax return for the income year (April 1 for calendar year taxpayers). In the case of any company not required to file a federal income tax return for the income year, the extension request must be filed on or before the first day of the fourth month following the end of the income year. Payment of the total tax due must be included with the request. The timely filing of Form CT-1120 EXT will automatically extend the due date for six months.

Form CT-1120 EXT extends *only* the time to file the unitary tax return; it does not extend the time to pay the tax.

Where to File

Mail to: Department of Revenue Services
State of Connecticut
PO Box 2974
Hartford CT 06104-2974

Make check payable to: **Commissioner of Revenue Services**. To ensure payment is applied correctly to your account, write "2007 Form CT-1120U" and your Connecticut Tax Registration Number on the front of your check. Be sure to sign the check and paper clip it to the front of the return. **Do not send cash**. The Department of Revenue Services (DRS) may submit your check to your bank electronically.

Electronic Payment Only

Payment only may be made electronically using the **Taxpayer Service Center (TSC)**. The **TSC** is an interactive tax organization tool that allows taxpayers to file, pay, and manage their state tax responsibilities electronically. Visit the DRS website at **www.ct.gov/DRS**.



A corporation filing Form CT-1120U must continue to submit paper returns to DRS.

Amended Returns

Any corporation within the group that fails to include items of income or deduction or makes any other error on a return must file an amended return using **Form CT-1120X**, *Amended Corporation Business Tax Return*. A copy of federal Form 1120X must be attached to substantiate any changes to federal net income.

Internal Revenue Service Changes

Corrections to taxable income by the IRS must be reported to the Commissioner of Revenue Services on or before 90 days after the final determination of the change. All federal adjustments must be reported using Form CT-1120X. An extension request for reporting federal audit changes may be submitted in writing to the Commissioner of Revenue Services stating the reason additional time is required.

Estimated Tax Payments

Every corporation carrying on or having the right to carry on business in Connecticut whose estimated current year tax exceeds \$1,000 must pay estimated tax payments in four installments. See *General Instructions on Forms CT-1120 ESA, ESB, ESC, and ESD*, *Estimated Corporation Business Tax*.

DRS mails four preprinted estimated tax payment coupons with instructions to corporations that paid estimated tax or had a Connecticut corporation tax liability exceeding \$1,000 in the prior taxable year.

If a corporation is not required to pay its estimated tax electronically, using these preprinted forms will ensure accuracy and timeliness in processing the corporation's estimated tax payments. Visit the DRS website at **www.ct.gov/DRS** to download and print Connecticut tax forms.

The required annual payment is the lesser of:

- 90% of the tax shown on the return for the income year, or, if no return is filed, 90% of the tax for such year; **or**
- 100% of the tax shown on the return for the previous income year without regard to any tax credit, if the previous income year was an income year of 12 months and if the company filed a return for the previous income year showing a liability for tax.

Estimated tax due dates (for calendar year filers):

1st Installment - March 15, 2008
30% of prior year tax (without regard to credits) or 27% of current year tax
2nd Installment - June 15, 2008
70% of prior year tax (without regard to credits) or 63% of current year tax
3rd Installment - September 15, 2008
80% of prior year tax (without regard to credits) or 72% of current year tax.
4th Installment - December 15, 2008
100% of prior year tax (without regard to credits) or 90% of current year tax

If the due date falls on a Saturday, Sunday, or legal holiday, the next business day is the due date.

Interest

Interest is computed at 1% per month or fraction of a month on the underpayment of tax from the original due date of the return through the date of payment. Interest due on the underpayment of estimated tax is computed using **Form CT-1120I, Computation of Interest Due on Underpayment of Estimated Tax**. Interest on underpayment or late payment of tax **cannot** be waived.

Penalty for Late Payment or Late Filing

The penalty for late payment or underpayment of corporation business tax is 10% of the tax due or \$50, whichever is greater. If a request for a filing extension has been granted, a corporation may avoid a penalty for failure to pay the full amount due by the original due date if it:

- Pays at least 90% of the tax shown to be due on the return on or before the original due date of the return; **and**
- Pays the balance due with the filing of Form CT-1120U, on or before the extended due date.

If no tax is due, DRS may impose a \$50 penalty for the late filing of any return or report required by law to be filed.

Penalty for Willful Failure to File or Pay

Anyone who willfully fails to pay the tax or file a return will be fined up to \$1,000 or imprisoned up to one year, or both, in addition to any other penalty.

Penalty for Willful Filing of a Fraudulent or Materially False Return

If you willfully file a tax return you know to be fraudulent or false in any material matter, you may be fined up to \$5,000 or imprisoned from one to five years, or both.

Penalty for Failure to Disclose Listed Transaction

A penalty of 75% of the amount of the deficiency may be imposed when it appears that any part of the deficiency is due to failure to disclose a listed transaction, as defined in I.R.C. §6707A.

Waiver of Penalty

A taxpayer may be able to have its penalty waived if the failure to file or pay tax on time was due to a reasonable cause and was not intentional or due to neglect. Interest cannot be waived. Before a penalty waiver can be granted, all tax and interest must be paid. All requests must include:

- A clear and complete written explanation;
- The corporation name, Connecticut Tax Registration Number, and Federal Employer Identification Number (FEIN) if applicable;
- The name of the original form filed or billing notice received;
- The taxable filing period; **and**
- Documentation supporting your explanation.

Attach the request to the **front** of the tax return or mail separately to:

Department of Revenue Services
Penalty Waiver Unit
PO Box 5089
Hartford CT 06102-5089

General Instructions

Complete this return in blue or black ink only.

Required Information

Enter the beginning and ending dates of the corporation's income year regardless of whether the corporation is a calendar year or fiscal year filer. Also, enter the corporation's Connecticut Tax Registration Number; FEIN; total assets from the corporation's federal Form 1120, U.S. Corporation Income Tax Return, Schedule L, Line 15, Column (d); gross receipts, net of returns and allowances from federal Form 1120, Line 1c; and North American Industry Classification System (NAICS) code for principal business activity, in the spaces provided at the top of Form CT-1120U.

NAICS Code for Principal Business Activity

Enter the appropriate business activity code as indicated on **Form CT-NAICS, NAICS Codes for Principal Business Activity for Connecticut Tax purposes**. Form CT-NAICS is available on the DRS website. General information concerning the classification of principal business activity under NAICS can also be found at www.census.gov.

Name and Address

Print or type the information requested in the space provided at the top of Form CT-1120U. Be sure to enter the parent or designated Connecticut parent corporation's Connecticut Tax Registration Number and FEIN.

Check and Complete Applicable Boxes

1. Address Change. To make any changes to the parent or designated Connecticut parent's corporation address, clearly print the new information, check the *Address Change* box, and file **Form CT-8822C, Corporation Business Tax**

Change of Address. If the *Address Change* box is checked, a completed Form CT-8822C **must** be attached to Form CT-1120U.

2. Unitary Return Status. If this is the last year that the unitary group is filing a unitary return, check the *Final* box.

If the corporation is filing for a short period, check the *Short Period* box.

3. Check the corresponding box to indicate if any corporation within the group has dissolved, withdrawn, merged, or reorganized:

Dissolution

To properly dissolve a domestic corporation you must file a Certificate of Dissolution with the Connecticut Office of the Secretary of the State. A dissolved corporation **must** file a return for the period up to the date of legal dissolution or the date of the final liquidation of assets, whichever is later.

Any dissolved corporation that continues to conduct business **must** be included in Form CT-1120U and pay any taxes due. If a corporation has been dissolved by forfeiture and wishes to be reinstated, it must submit a written request for a tax clearance to:

Department of Revenue Services
Corporation Office Audit Unit
25 Sigourney Street
Hartford CT 06106-5032

The tax clearance and certificate of reinstatement must be filed with the Connecticut Office of the Secretary of the State.

Withdrawal From State

A foreign corporation that wishes to withdraw from Connecticut must file a written application for withdrawal with the Connecticut Office of the Secretary of the State. Any corporation that has withdrawn must file Form CT-1120 up to the date of withdrawal and pay any taxes due.

Mergers and Reorganizations

A corporation that has merged must file a written application with the Connecticut Office of the Secretary of the State. Any corporation that has merged must include a Form CT-1120 covering the period up to the date of merger and pay any tax due.

For further information about withdrawal from the state, mergers and reorganizations, or dissolutions, contact the Connecticut Office of the Secretary of the State at 860-509-6000.

Any corporation that is reorganized must submit the details concerning the reorganization in writing and disclose the survivor's Connecticut Tax Registration Number.

Mail to: Department of Revenue Services
State of Connecticut
PO Box 2937
Hartford CT 06104-2937

4. If this is the first year this group is filing a unitary return, check the corresponding box and attach Form CT-1120Q and Form CT-1120CC.

5. Check the corresponding box and attach Form CT-1120AB, if any nexus company within the unitary group pays, accrues, or incurs interest expenses or intangible expenses, costs, and related interest expenses to a related member.

6. Check this box if the unitary group is exchanging Research and Development tax credits available under Conn. Gen. Stat. §§12-217j or 12-217n, for a credit refund equal to 65% of the value of the credit, subject to certain limitations. Attach **Form CT-1120RC**, *Research and Experimental Expenditures Credit*, or **Form CT-1120 RDC**, *Research and Development Credit*, and **Form CT-1120 XCH**, *Application for Exchange of Research and Development or Research and Experimental Expenditures Tax Credits by a Qualified Small Business*.

7. Check this box if the unitary group is annualizing its income. Complete Form CT-1120I, and attach it to Form CT-1120U.

See **Informational Publication 2006(19)**, *Guide to Calculating Annualized Estimated Corporation Business Tax Installments and Worksheet CT-1120AE*.

8. Check this box if any included corporation is filing **Form CT-1120 PIC**, *Information Return for Passive Investment Companies*. If this box is checked, Form CT-1120 PIC **must** be attached. Passive investment companies must be related to a financial service company or to an insurance company. Passive Investment companies are exempt from the corporation business tax but must file Form CT-1120 PIC.

Line Instructions

Rounding Off to Whole Dollars

You must round off cents to the nearest whole dollar on your return and schedules. Round down to the next lowest dollar all amounts that include 1 through 49 cents. Round up to the next highest dollar all amounts that include 50 through 99 cents.

However, if you need to add two or more amounts to compute the amount to enter on a line, include cents and round off **only** the total. If you do not round to whole dollars, DRS will disregard the cents.

Example: Add two amounts (\$1.29 + \$3.21) to compute the total (\$4.50) to enter on a line. \$4.50 is rounded to \$5.00 and entered on the line.

Schedule of Corporations Included in the Unitary Return

Enter the corporation name, Connecticut tax registration number, and FEIN for each company included in this unitary return. Check the corresponding column if the company has nexus with Connecticut. A Connecticut tax registration number must be included for parent and all affiliates, if applicable. Attach a schedule if additional lines are needed.

Minimum Tax Calculation

Each corporation included in the unitary group is subject to the \$250 Minimum Tax. Enter the total number of corporations in the unitary return. Multiply Line 1 by \$250 and enter the result on Line 2. This is the Minimum Tax.

Schedule A - Computation of Tax on Net Income

Line 1 - Enter the total net income of all corporations included in the unitary return, as reported on *Schedule D*, Line 18.

Line 2 - Enter the apportionment fraction calculated using a three factor apportionment formula consisting of property, payroll, and double weighted gross receipts as described in Conn. Gen. Stat. §12-218(c), as reported on **Form CT-1120A, Corporation Business Tax Return Apportionment Computation, Schedule R, Line 6**. The fraction must be expressed as a decimal and carried to six places.

Line 3 - Complete as indicated.

Line 4 - If this is the group's first year filing a unitary return, no net operating loss carryovers are allowed.

If this is not a first year unitary filing, enter the amount of any unused unitary losses from **Form CT-1120 ATT, Corporation Business Tax Return Attachment, Schedule H, Column D**, attributable to Connecticut business operations as reported in years ending December 31, 2000, and thereafter.

Net operating losses incurred for income years beginning on or after January 1, 2000, may be carried forward for 20 successive income years. Losses may not be carried back. The loss entered here is limited to the loss attributed to Connecticut according to the method of apportionment prescribed in Conn. Gen. Stat. §12-218.

Line 5 - Subtract Line 4 from Line 3 and enter the result.

Line 6 - Multiply Line 5 by 7.5% and enter the result.

Schedule B - Computation of Minimum Tax on Capital

The unitary group must calculate the capital tax base under Conn. Gen. Stat. §12-219 on a unitary basis.

Line 1 - Enter the amount from *Schedule E, Line 6, Column C*.

Line 2 - Enter the apportionment fraction from **Form CT-1120A, Schedule S, Line 3, Column C**. The fraction must be expressed as a decimal and carried to six places.

Line 3 - Enter the amount from Line 1 multiplied by Line 2, or enter the amount from Line 1, if not entitled to apportion.

Line 4 - Enter the number of months the unitary group carried on business or had the right to carry on business in Connecticut, whichever is greater. A fractional part of a month is counted as a full month.

Line 5 - Multiply Line 3 by Line 4. Divide the result by 12 and enter the amount.

Line 6 - Multiply Line 5 by 0.31% and enter the result. The maximum tax for *Schedule B* is \$1,000,000.

Schedule C - Computation of Amount Payable

Lines 1a and 1b - Complete as indicated.

Line 1c - If any corporation included in the unitary group has received a notice from Connecticut Housing Finance Authority (CHFA) indicating that 60% or more of a revolving loan fund has not been properly loaned on or before the date three years after the date a revolving loan fund was established, the credit amount specified in the notice must be recaptured. This amount should be reported on the first **Form CT-1120U** to be filed on or after the date of notice.

If any fixed capital on account of which any corporation included in the unitary return claimed a fixed capital investment tax credit is not held and used in Connecticut in the ordinary course of the corporation's trade or business in

Connecticut for three full years following its acquisition, the corporation is required to recapture 100% of the amount of the credit allowed on the corporation business tax return required to be filed for the income year immediately following the income year during which the three-year period expires.

If the fixed capital on account of which a corporation claimed the fixed capital investment tax credit is not held and used in Connecticut in the ordinary course of the corporation's trade or business in Connecticut for five full years following its acquisition, the corporation will be required to recapture 50% of the amount of the credit allowed on its corporation business tax return required to be filed for the income year immediately succeeding the income year during which the five-year period expires.

Lines 1 through 4 - Complete as indicated.

Line 5 - Enter the total tax credits applied from **Form CT-1120K, Business Tax Credit Summary, Part II, Line 11**. Do not exceed the amount on Line 4. Carryforward credits from pre-unitary filing years cannot be counted.

Lines 6 through 11 - Complete as indicated.

Schedule D - Computation of Net Income

Line 1 - Enter the total federal taxable income (loss) before net operating loss and special deductions of all the companies that are included in the Connecticut unitary group.

Line 2 - Enter the total interest income exempt from federal taxation of all companies included in the Connecticut unitary group.

Line 3 - Enter the total unallowable deduction for corporation business tax of all companies included in the Connecticut unitary group.

Line 4 - Enter the total interest expense paid to related members and reported on **Form CT-1120AB, Part I A, Line 1**.

Line 5 - Enter the total intangible expense paid to related members as reported on **Form CT-1120AB, Part I B, Line 1**.

Line 6 - *Reserved for future use.*

Line 7 - Add Lines 1 through 5 and enter the total.

Line 8 - Enter the dividend deduction calculated on **Form CT-1120 ATT, Schedule I, Line 4**.

Line 9 - Enter the amount of any available capital loss carryover not deducted in computing federal capital gain. This amount is limited to the amount of the capital gain reported on the federal return as provided in Conn. Gen. Stat. §12-217.

Line 10 - Enter the value of any capital gain realized from the sale of any land, interest in land, to the state, any political subdivision of the state, or to any nonprofit land conservation organization where the land is to be permanently preserved as protected open space or to a water company, as defined in Conn. Gen. Stat. §25-32a, where the land is to be permanently preserved as protected open space or as Class I or Class II water company land.

Line 11 - Enter the federal bonus depreciation recovery amount from **Form CT-1120 ATT, Schedule J, Line 7**.

Line 12 - Enter the amount of exceptions to interest add back as reported on **Form CT-1120AB, Part II A, Line 1**.

Line 13 - Enter the amount of exceptions to interest add back as reported on Form CT-1120AB, Part II A, Line 2.

Line 14 - Enter the amount of exceptions to interest add back as reported on Form CT-1120AB, Part II A, Line 3.

Line 15 - Enter the amount of exceptions to the add back of intangible expenses paid to a related member, as reported on Form CT-1120AB, Part II B, Line 1.

Line 16 - Enter the amount from Form CT-1120AB, Part IV, Line 1.

Line 17 - Add Lines 8 through 16 and enter the total.

Line 18 - Subtract Line 17 from Line 7. Enter the result here and on *Schedule A*, Line 1.

Schedule E - Computation of Minimum Tax Base

In calculating the capital base, intercompany stock holdings should be eliminated.

Line 1 - Enter the beginning (Column A) and ending (Column B) values of the issued and outstanding capital stock including treasury stock at par or face value, fractional shares, scrip certificates, and payments on subscriptions. See federal Form 1120, Schedule L, Line 22a and Line 22b.

Line 2 - Enter the beginning (Column A) and ending (Column B) values of paid-in or capital surplus, including retained earnings. Any deficit must be reported as a negative number. See federal Form 1120, Schedule L, Lines 23, 24, and 25.

Line 3 - Enter the beginning (Column A) and ending (Column B) values of all surplus reserves (including deferred taxes). Attach a schedule of all surplus **reserves** to support the amounts shown on Line 3.

A **reserve** is an amount set aside or deducted from current or retained earnings for meeting future liabilities.

Line 4 - Add Lines 1, 2, and 3 in both Column A and Column B. Enter in Column C the average of Column A and Column B.

Line 5 - Enter the total holdings of stock in Column A and Column B. Enter the average of Column A and Column B on Line 5, Column C.

Attach a schedule that lists the beginning and ending book values of total holdings of stock of **private corporations**, including treasury stock. The total book value of shares must equal the amount claimed as a deduction on *Schedule E*, Line 5. The book value of stock does not include the value of other assets acquired and held in connection with or incidental to the ownership of such stock.

Private corporations means all non-governmental corporations, whether closely or publicly held.

Line 6 - Subtract Line 5, Column C, from Line 4, Column C. Enter the result here and on Form CT-1120U, *Schedule B*, Line 1.

Schedule F - Taxes

Conn. Gen. Stat. §12-217 disallows any deduction for the Connecticut corporation business tax and any deduction for taxes imposed on or measured by income or profits by any state, political subdivision, or the District of Columbia.

Line 1 - Enter in Column A all payroll taxes deducted in arriving at federal taxable income.

Line 2 - Enter in Column A all real property taxes deducted in arriving at federal taxable income.

Line 3 - Enter in Column A all personal property taxes deducted in arriving at federal taxable income.

Line 4 - Enter in Column A all sales and use taxes deducted in arriving at federal taxable income.

Line 5 - Enter in Column A any other taxes not based on income or profits deducted in arriving at federal taxable income.

Line 6 - Enter in Column B the amount of Connecticut corporation business tax deducted in arriving at federal taxable income.

Line 7 - Enter in Column B any corporate tax imposed on or measured by income or profits by any state, other than Connecticut, or political subdivision, or the District of Columbia, deducted in the computation of federal taxable income.

Line 8 - Add the amounts on Line 6 and Line 7 in Column B and enter the result here and on *Schedule D*, Line 3.

Signature

The unitary return must be signed by a duly authorized officer.

Paid Preparer Signature

Anyone who is paid to prepare the unitary return must sign and date it. Paid preparers must also enter their Social Security Number (SSN) or Preparer Tax Identification Number (PTIN), their firm's FEIN, and their firm's address and telephone number in the spaces provided.

Paid Preparer Authorization

If the unitary group wants to authorize DRS to contact the paid preparer who signed the 2007 unitary tax return to discuss it, check the **Yes** box in the signature area of the return. This authorization applies only to the individual whose signature appears in the *Paid Preparer's Signature* section of the unitary return. It does not apply to the firm, if any, shown in that section.

If the **Yes** box is checked, the unitary group is authorizing DRS to call the paid preparer to answer any questions that may arise during the processing of the 2007 unitary corporation business tax return. The unitary group is also authorizing the paid preparer to:

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

The unitary group is **not** authorizing the paid preparer to receive any refund check, bind the unitary group to anything (including additional tax liability), or otherwise represent the unitary group before DRS. The authorization cannot be revoked. However, the authorization will automatically end no later than the due date (without regard to extensions) for filing the 2008 Unitary Corporation Business Tax Return.

This is on or before the first day of the month following the due date of the unitary group's corresponding federal income tax return for the income year (April 1 for calendar year filers).

For Further Information

Call DRS during business hours, Monday through Friday:

- **1-800-382-9463** (Connecticut calls outside the Greater Hartford calling area only), **or**
- **860-297-5962** (from anywhere).

TTY, TDD, and Text Telephone users only may transmit inquiries anytime by calling 860-297-4911.

Forms and Publications

Forms and publications are available anytime by:

- **Internet:** Visit the DRS website at **www.ct.gov/DRS** to download and print Connecticut tax forms; **or**
- **Telephone:** Call **1-800-382-9463** (Connecticut calls outside the Greater Hartford calling area only) and select **Option 2** from a touch-tone phone, or call **860-297-4753** (from anywhere).