

# Form AU-330

## Controlling Interest Transfer Taxes

### Return Instructions

(Rev. 10/10)

#### General Information

Complete the return in blue or black ink only.

#### Controlling Interest Transfer Tax

The **controlling interest** transfer tax is a tax imposed on the sale or transfer for consideration of a controlling interest in an entity, whether it is a **corporation, partnership, association, trust, limited liability company, or other organization**, where the entity owns, directly or indirectly, an interest in Connecticut **real property** which has a present and true value not less than \$2,000. For more specific information regarding the tax, see **Special Notice 2003(11)**, *2003 Legislation Affecting the Controlling Interest Transfer Taxes*.

#### Filing Form AU-330

**Form AU-330**, *Controlling Interest Transfer Taxes*, must be filed by the transferor on or before the last day of the month following the month during which a controlling interest in an entity was transferred. Where the transfer is made in a series of transactions, Form AU-330 must be filed on or before the last day of the month following the month during which the interest sold or transferred, in the aggregate, first exceeds 50%. Where a group of transferors acting in concert transfers a controlling interest, the group must file one Form AU-330.

#### Tax Rate

The controlling interest transfer tax is imposed on the person selling or transferring the controlling interest at the rate of 1.11% of the **present true and actual value** of the interest in real property possessed, directly or indirectly, by the entity. An additional controlling interest transfer tax is imposed under Conn. Gen. Stat. §12-638/ if a controlling interest in an entity which possesses an interest in land that has been classified as **farm land, forest land, maritime heritage land, or open space land** is transferred within a period of ten years.

The additional tax rate varies between 10% and 1% of the **present true and actual value** of the land depending on the year in which the controlling interest was transferred.

- In the case of **farm land** and **forest land**, the additional tax is applied if a controlling interest in the entity which possesses an interest in the land is sold within a period of ten years from the time the owner acquired title to the land or from the time the owner first caused the land to be so classified, whichever is earlier.
- In the case of land which has been classified as **open space land** or **maritime heritage land**, the additional tax is applied if a controlling interest in the entity which possesses an interest in the land is sold within a period of ten years from the time the owner first caused the land to be so classified.

Land is considered classified as **farm land, forest land, open space land, or maritime heritage land** on the first day of the initial assessment year in which the land was so classified by the entity.

#### Exempt Transfers

The tax does not apply to the transfer of a controlling interest in any entity:

- To the extent the entity owns directly or indirectly, an interest in real property located in an enterprise zone; **or**
- Where the transfer effectuates a mere change of identity or form of ownership or organization; not a change in beneficial ownership.

Form AU-330 must be filed to claim the exemption.

#### Interest and Penalties for Late Payment

Interest for late payment is 1% per month or fraction of a month from the due date. Penalty for late payment is 10% of the tax due or \$50, whichever is greater.

#### Signature

Form AU-330 must be signed by a principal officer, the transferor, or an authorized agent.

#### Where to File

Make check payable to **Commissioner of Revenue Services**. To ensure payment is applied to your account, write "Form AU-330" and your Connecticut Tax Registration Number, Social Security Number (SSN), or Federal Employer Identification Number (FEIN) on the front of your check. Be sure to sign your check and paper clip it to the front of your return. **Do not send cash**. DRS may submit your check to your bank electronically.

**Mail to:** Department of Revenue Services  
State of Connecticut  
25 Sigourney St Ste 2  
PO Box 5031  
Hartford CT 06102-5031

#### Definitions

**Controlling interest** means, in the case of a corporation, more than 50% of the total combined voting power of all classes of stock in the corporation, or in the case of a noncorporate entity (such as a partnership, limited liability company, or trust), more than 50% of the capital, profits, or beneficial interest in the noncorporate entity. A transfer of a controlling interest may be made all at once or in a series of transfers. Where transfers would constitute a transfer of a controlling interest had they occurred all at one time, they will be treated as a transfer of a controlling interest. Transactions occurring within six months of each other are presumed, unless shown to the contrary (to the satisfaction of DRS), to be acting in concert.

**Real property** means any interest, legal or equitable, present or future, vested or contingent, in real property, which interest endures for a period of time, the termination of which is not fixed or ascertained by a specific number of years, such as an estate in fee simple or a life estate, provided a conveyance of the interest would be considered a conveyance of real property for purposes of the real estate conveyance taxes imposed under Chapter 223 of the Connecticut General Statutes.

**Present true and actual value** of real property is its fair market value, unreduced by the amount of any mortgage, lien, or other encumbrance, as of the time of the transfer of a controlling interest. The present true and actual value of Connecticut real property directly owned by the entity is 100% of the property's fair market value. The present true and actual value of Connecticut real property indirectly owned by the entity is the entity's applicable ownership percentage of the corporate or noncorporate organization that directly owns the real property multiplied by the property's fair market value.

**Farm land** means land classified as such under Conn. Gen. Stat. §12-107c.

**Forest land** means land classified as such under Conn. Gen. Stat. §12-107d.

**Maritime heritage land** means land classified as such under Conn. Gen. Stat. §12-107g.

**Open space land** means land classified as such under Conn. Gen. Stat. §12-107e.

**Partnership** includes a limited partnership or a limited liability partnership.

**Corporation** means a C corporation, an S corporation, or any association taxable as a corporation for federal income tax purposes.

## Specific Instructions

### Part I and Part II

Line 1: If the transferor or transferee is an individual, enter his or her home address. If the transferor or transferee is not an individual, enter mailing address.

Line 2: If the transferor or transferee is an individual, enter his or her SSN. If the transferor or transferee is not an individual, enter the FEIN.

### Part III

Line 1: Enter the full name of the entity and the location (not mailing address) of principal office.

Line 4: Check *Corporation* for any C corporation, S corporation, or association taxable as a corporation for federal income tax purposes. Check *Partnership* for any general partnership, limited partnership, or limited liability partnership.

Line 6: Enter the date on which legal title to a controlling interest was vested in the transferee.

Line 7: Enter the percentage of the interest in the entity transferred by the transferor(s) to the transferee(s) on the date indicated on Line 6.

### Complete Part VIII before completing Part V and Part VI.

### Part V

**Location of Real Property:** List all Connecticut real property (including farm land, forest land, open space land, and maritime heritage land) owned directly by the entity in which a controlling interest was transferred. The street addresses and parcel numbers (map/block/lot) must be provided.

**Town Code:** See *Table A* on Page 3 for town codes.

**Present True and Actual Value:** Enter the present true and actual value as of the date indicated on Part III, Line 6. If an interest in real property is located in more than one Connecticut town, its present true and actual value must be apportioned between the towns by means of a ratio of the assessed value of the interest in each town to the aggregate assessed value of the interest. List each interest on a separate line and place an asterisk next to the street address.

**Tax:** Multiply the present true and actual value by the rate of tax to compute the tax on each interest in real property.

### Part VI

**Location of Real Property:** List all Connecticut real property, including farm land, forest land, open space land, and maritime heritage land owned indirectly by the entity in which a controlling interest was transferred. The street addresses and parcel numbers (map/block/lot) must be provided.

**Town Code:** See *Table A* on Page 3 for town codes.

**Present True and Actual Value:** Enter the present true and actual value as of the date indicated in Part III, Line 6, multiplied by the entity's applicable ownership percentage of the corporate or noncorporate organization that directly owns the Connecticut real property.

### Part VII

**Location of Real Property:** List all Connecticut farm land, forest land, open space land, and maritime heritage land owned directly by the entity in which a controlling interest was transferred. This land is also listed in Part V and, with the exception of the rate of tax, the information entered here for this land should be the same as entered in Part V. If the real property is located in more than one Connecticut town, see instructions in *Part V, Present True and Actual Value*.

**Date Acquired:** Enter the date on which the entity acquired the real property.

**Rate of Tax:** See *Table B* on Page 3 for the rate of tax.

**Tax:** Multiply the present true and actual value by the rate of tax to compute the tax.

### Part VIII

Where an entity in which a controlling interest is transferred indirectly owns Connecticut real property, enter the name, address, and FEIN of the corporate or noncorporate organization that directly owns the real property. For rules to determine the real property indirectly owned by the entity, see SN 2003(11).

**Table A — Town Codes**

Andover	001	Darien	035	Killingly	069	Norwalk	103	Stonington	137
Ansonia	002	Deep River	036	Killingworth	070	Norwich	104	Stratford	138
Ashford	003	Derby	037	Lebanon	071	Old Lyme	105	Suffield	139
Avon	004	Durham	038	Ledyard	072	Old Saybrook	106	Thomaston	140
Barkhamsted	005	Eastford	039	Lisbon	073	Orange	107	Thompson	141
Beacon Falls	006	East Granby	040	Litchfield	074	Oxford	108	Tolland	142
Berlin	007	East Haddam	041	Lyme	075	Plainfield	109	Torrington	143
Bethany	008	East Hampton	042	Madison	076	Plainville	110	Trumbull	144
Bethel	009	East Hartford	043	Manchester	077	Plymouth	111	Union	145
Bethlehem	010	East Haven	044	Mansfield	078	Pomfret	112	Vernon	146
Bloomfield	011	East Lyme	045	Marlborough	079	Portland	113	Voluntown	147
Bolton	012	Easton	046	Meriden	080	Preston	114	Wallingford	148
Bozrah	013	East Windsor	047	Middlebury	081	Prospect	115	Warren	149
Branford	014	Ellington	048	Middlefield	082	Putnam	116	Washington	150
Bridgeport	015	Enfield	049	Middletown	083	Redding	117	Waterbury	151
Bridgewater	016	Essex	050	Milford	084	Ridgefield	118	Waterford	152
Bristol	017	Fairfield	051	Monroe	085	Rocky Hill	119	Watertown	153
Brookfield	018	Farmington	052	Montville	086	Roxbury	120	Westbrook	154
Brooklyn	019	Franklin	053	Morris	087	Salem	121	West Hartford	155
Burlington	020	Glastonbury	054	Naugatuck	088	Salisbury	122	West Haven	156
Canaan	021	Goshen	055	New Britain	089	Scotland	123	Weston	157
Canterbury	022	Granby	056	New Canaan	090	Seymour	124	Westport	158
Canton	023	Greenwich	057	New Fairfield	091	Sharon	125	Wethersfield	159
Chaplin	024	Griswold	058	New Hartford	092	Shelton	126	Willington	160
Cheshire	025	Groton	059	New Haven	093	Sherman	127	Wilton	161
Chester	026	Guilford	060	Newington	094	Simsbury	128	Winchester	162
Clinton	027	Haddam	061	New London	095	Somers	129	Windham	163
Colchester	028	Hamden	062	New Milford	096	Southbury	130	Windsor	164
Colebrook	029	Hampton	063	Newtown	097	Southington	131	Windsor Locks	165
Columbia	030	Hartford	064	Norfolk	098	South Windsor	132	Wolcott	166
Cornwall	031	Hartland	065	North Branford	099	Sprague	133	Woodbridge	167
Coventry	032	Harwinton	066	North Canaan	100	Stafford	134	Woodbury	168
Cromwell	033	Hebron	067	North Haven	101	Stamford	135	Woodstock	169
Danbury	034	Kent	068	N. Stonington	102	Sterling	136		

**Table B — Rate of Tax**

Farm Land, Forest Land, Open Space Land, and Maritime Heritage Land

For the purposes of Table B, if a date is exactly one year after either the date acquired or the date classified, it is not considered within one year after the date.

Use **Date Acquired** for farm land and forest land.

Use **Date Classified** for open space land and maritime heritage land.

**If the date indicated in Part III, Line 6 is:****Tax Rate is:**

Within 1 year after date acquired/classified.....	10%
Within 2 years after date acquired/classified.....	9%
Within 3 years after date acquired/classified.....	8%
Within 4 years after date acquired/classified.....	7%
Within 5 years after date acquired/classified.....	6%
Within 6 years after date acquired/classified.....	5%
Within 7 years after date acquired/classified.....	4%
Within 8 years after date acquired/classified.....	3%
Within 9 years after date acquired/classified.....	2%
Within 10 years after date acquired/classified.....	1%
10 years or more after date acquired/classified.....	0%