



Connecticut Designated Taxable Member's  
 Connecticut Tax Registration Number

**Schedule Q - Net Income Apportionment**

	Column A	Column B	Column C
	Member #: <input type="text"/>	Member #: <input type="text"/>	Member #: <input type="text"/>
<b>Total Connecticut Receipts:</b>			
Corporation name: <input type="text"/>			
1. Enter in each column each taxable member's Connecticut receipts. Enter zero ("0") for each nontaxable member. .... 1.	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>Total</b>	<input type="text"/>	<input type="text"/>	<input type="text"/>
2. Enter the total of each column on Line 1. 2. ▶ <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
3. Percentage of taxable member's Connecticut receipts. Divide each taxable member's column on Line 1 by the amount reported on Line 2. .... 3.	<input type="text"/>	<input type="text"/>	<input type="text"/>
4. Enter in each column each nontaxable member's Connecticut receipts. Enter zero ("0") for each taxable member. .... 4.	<input type="text"/>	<input type="text"/>	<input type="text"/>
5. Enter the total of each column on Line 4. 5. ▶ <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
6. Taxable member's pro-rata share of nontaxable member's receipts. Multiply each column on Line 3 by the amount reported on Line 5. .... 6.	<input type="text"/>	<input type="text"/>	<input type="text"/>
7. Total taxable member's Connecticut receipts. Add the amounts in each column on Line 1 and Line 6 for each taxable member. .... 7.	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>Everywhere Receipts:</b>			
8. Enter in each column each taxable and nontaxable member's everywhere receipts. .... 8.	<input type="text"/>	<input type="text"/>	<input type="text"/>
9. Enter the total of each column on Line 8. 9. ▶ <input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
10. <b>Apportionment:</b> Divide each column on Line 7 by the amount reported on Line 9. Enter also each taxable member's apportionment in the appropriate column on Form CT-1120CU-NI, Part III, Line 4. .... 10.	<input type="text"/>	<input type="text"/>	<input type="text"/>



(A. = Enter corporation name)

	Column D	Column E	Column F	Column G	Column H
	Member #:	Member #:	Member #:	Member #:	Member #:
A.					
1.	.00	.00	.00	.00	.00
2.					
3.	.	.	.	.	.
4.	.00	.00	.00	.00	.00
5.					
6.	.00	.00	.00	.00	.00
7.	.00	.00	.00	.00	.00
8.	.00	.00	.00	.00	.00
9.					
10.	.	.	.	.	.




**Schedule S - Minimum Tax Base Apportionment**

	Column A	Column B	Column C
Taxable Members:	Member #:	Member #:	Member #:
<b>Corporation name:</b>			
1. Intangible assets located within Connecticut. .... 1.	.00	.00	.00
2. Tangible property located within Connecticut. .... 2.	.00	.00	.00
3. Add Line 1 and Line 2 in each column. .... 3.	.00	.00	.00
<b>Taxable and Nontaxable Members:</b>			
4. Intangible assets located everywhere. .... 4.	.00	.00	.00
5. Tangible property located everywhere. .... 5.	.00	.00	.00
6. Add Line 4 and Line 5 in each column. .... 6.	.00	.00	.00
<b>Total</b>			
7. Add the amounts in each column on Line 6 and enter the total. .... 7. ▶	.00		
8. <b>Apportionment:</b> Divide each column on Line 3 by the amount reported on Line 7. Enter also each taxable member's apportionment in the appropriate column on Form CT-1120CU-MTB, Line 8. .... 8.	.	.	.

This apportionment factor must include the average monthly net book value of all assets exclusive of holdings of stock of private (nongovernmental) corporations and intercorporate stockholdings. Assets and liabilities attributable to transactions between members of the unitary group should also be eliminated.

The intangible assets of a company that has its principal place of business within Connecticut are deemed to have a tax situs within Connecticut unless it can be clearly established that some or all of the assets held in connection with business conducted during the income year outside Connecticut.

Financial Service Companies, Real Estate Investment Trusts, and Regulated Investment Companies should enter zero ("0") for their asset values within Connecticut and everywhere.



(A. = Enter corporation name)

	Column D	Column E	Column F	Column G	Column H
	Member #:	Member #:	Member #:	Member #:	Member #:
A.					
1.		.00	.00	.00	.00
2.		.00	.00	.00	.00
3.		.00	.00	.00	.00
4.		.00	.00	.00	.00
5.		.00	.00	.00	.00
6.		.00	.00	.00	.00
7.					
8.	.	.	.	.	.

# Form CT-1120A-CU Instructions

## Purpose

Use Form CT-1120A-CU to calculate each taxable member's apportionment fraction for the net income and minimum tax bases. Complete and attach **Form CT-1120A-CU** to **Form CT-1120CU**. Combined groups are subject to tax on the greater of their net income base or their minimum tax base (sometimes referred to as the *capital base*). See **Special Notice 2016(1)**, *Combined Unitary Legislation*.

## Apportionment Calculation

### Net Income Apportionment

If any member of the combined group carries on or does business outside of Connecticut or if any member is a financial services company, as defined in Conn. Gen. Stat. § 12-218b, the group is entitled to apportion its net income. If the group is entitled to apportion, each taxable member separately calculates its apportionment fraction in order to determine its portion of the combined group's net income.

Prior to calculating each taxable member's net income apportionment fraction, the nontaxable member's Connecticut receipts are assigned to taxable members. These receipts are assigned to taxable members on a pro rata basis in accordance with the ratio of each taxable member's Connecticut receipts over the total of all taxable member's Connecticut receipts.

Once the nontaxable member's Connecticut receipts are assigned to taxable members, each taxable member must calculate its apportionment fraction. In general, each taxable member must utilize a single receipts factor to apportion the combined group's net income. To calculate its net income apportionment fraction, each taxable member includes its individual Connecticut receipts (including receipts assigned to it from nontaxable members) in the numerator and the combined group's everywhere receipts in the denominator.

For net income apportionment purposes, receipts from transactions among members of the combined group are eliminated. In addition, receipts related to items of income not included in a combined group's unitary business or prohibited from Connecticut taxation under the United States Constitution or other federal law are excluded from the net income apportionment calculation.

Each taxable member's apportionment fraction is multiplied, individually, by the combined group's net income.

## Receipts Subject to Special Apportionment Rules

Net income derived from the following activities must be separately apportioned from all other net income:

- Carrying of passengers or property for hire – **Form CT-1120A-BMC**;
- Services to regulated investment companies – **Form CT-1120A-IRIC**;
- Securities brokerage services – **Form CT-1120A-SBC**;
- Broadcasting and programming production services – **Form CT-1120A-BPE**; and
- Credit card activities by financial service companies – **Form CT-1120A-CCA**.

Net income that is subject to these special apportionment rules should be removed from the combined group's net income (on **Form CT-1120CU-NI**, Part III, Line 2) and separately apportioned according to the applicable provisions. Similarly, receipts from the activities whose net income is subject to special apportionment should be excluded from the standard apportionment calculation.

Manufacturers and financial service companies should include their income and receipts in the calculation of the group's net income and standard apportionment calculation, respectively. Manufacturers should use the standard sourcing rules explained in the instructions to *Schedule Q*. Financial service companies should use the rules provided under Conn. Gen. Stat. § 12-218b to source their receipts. See the instructions to Form CT-1120A-FS for more information on financial service company sourcing rules.

## Minimum Tax Base Apportionment

If any member of the combined group carries on or does business outside of Connecticut, the group is entitled to apportion its minimum tax base. Similar to the method used to apportion the combined group's net income, taxable members separately apportion the combined group's minimum tax base. Each taxable member's minimum tax base apportionment fraction includes its assets sourced to Connecticut under Conn. Gen. Stat. § 12-219a in the numerator and the everywhere assets of the entire combined group in the denominator.

For minimum tax base apportionment purposes, the average monthly net book value of a part year member's assets should be prorated to reflect the percentage of the group's income year it was included in the group.

In each member column, for both taxable and nontaxable members, enter the Member Number from **Form CT-1120CU-MI**, *Combined Group Member Information*, and the name of the corporation being reported.

## Schedule Q - Net Income Apportionment

### Total Connecticut Receipts

#### Line 1

**Taxable member's Connecticut receipts:** In each member column, for taxable members, enter the total of:

- Receipts from sales of tangible property delivered or shipped to a purchaser within Connecticut regardless of the F.O.B. point or other conditions of sale;
- Receipts from services where the market for services is in Connecticut;
- Receipts for the rental, lease or license of real or tangible property that is situated in Connecticut;
- Receipts from the rental, lease or license of intangible property used in this state. Intangible property utilized in marketing a good or service to a consumer is used in this state if that good or service is purchased by a consumer in this state;
- Interest earned from assets managed or controlled within Connecticut; **and**
- Receipts, other than those described above, are assignable to this state to the extent the taxpayer's market for the sales is in this state.

Exclude receipts from the sale or other disposition of real property, tangible personal property or intangible property if such property is not held by the taxpayer primarily for sale to customers in the ordinary course of the taxpayer's trade or business.

Enter zero ("0") in each nontaxable member column.

#### Line 2

**Total taxable member's Connecticut receipts:** Enter the total of each column reported on Line 1.

#### Line 3

**Percentage of taxable member's Connecticut receipts:** Divide the taxable member's Connecticut receipts reported on Line 1 in each member column by the total taxable member's Connecticut receipts reported on Line 2, carry to six places.

#### Line 4

**Nontaxable member's Connecticut receipts:** In each member column, for nontaxable members, enter the total of:

- Receipts from sales of tangible property delivered or shipped to a purchaser within Connecticut regardless of the F.O.B. point or other conditions of sale;
- Receipts from services where the market for services is in Connecticut;
- Receipts for the rental, lease or license of real or tangible property that is situated in Connecticut;
- Receipts from the rental, lease or license of intangible property used in this state. Intangible property utilized in marketing a good or service to a consumer is used in this state if that good or service is purchased by a consumer in this state;
- Interest earned from assets managed or controlled within Connecticut; **and**
- Receipts, other than those described above, are assignable to this state to the extent the taxpayer's market for the sales is in this state.

Exclude receipts from the sale or other disposition of real property, tangible personal property or intangible property if such property is not held by the taxpayer primarily for sale to customers in the ordinary course of the taxpayer's trade or business.

Enter zero ("0") in each taxable member column.

#### Line 5

**Total nontaxable member's Connecticut receipts:** Enter the total nontaxable member's Connecticut receipts reported on Line 4 for each column.

#### Line 6

**Taxable member's pro-rata share of nontaxable member's Connecticut receipts:** Multiply the percentage of taxable member's Connecticut receipts reported on Line 3 for each column by the total nontaxable member's Connecticut receipts reported on Line 5.

#### Line 7

**Total taxable member's Connecticut receipts:** Add the taxable member's Connecticut receipts reported on Line 1 for each column and the taxable member's pro-rata share of nontaxable member's Connecticut receipts reported on Line 6 for each column.

### Everywhere Receipts

#### Line 8

**Taxable and nontaxable member's everywhere receipts:** Enter the total everywhere receipts of each member for each column.

- Total receipts from sales of tangible property;
- Total receipts from services;
- Total receipts for the rental, lease or license of real or tangible property;
- Total receipts from the rental, lease or license of intangible property;
- Total interest earned; **and**
- Other receipts.

Exclude receipts from the sale or other disposition of real property, tangible personal property or intangible property if such property is not held by the taxpayer primarily for sale to customers in the ordinary course of the taxpayer's trade or business.

#### Line 9

**Total everywhere receipts:** Add the amounts reported on Line 8 for each column.

#### Line 10

**Connecticut net income apportionment fraction:** Divide each taxable member's Connecticut receipts reported on Line 7 in each column by the total everywhere receipts reported on Line 9, carry to six places. Also enter each taxable member's net income apportionment fraction in the appropriate column on Form CT-1120CU-NI, Part III, Line 4.

**Receipts Subject to Special Apportionment Rules.** On *Schedule Q*, exclude receipts from activities whose net income is subject to special apportionment.

**Financial Service Companies.** Financial service companies should use the rules provided under Conn. Gen. Stat. § 12-218b to source their receipts on Lines 1, 4, and 8. See the instructions to Form CT-1120A-FS for more information on financial service company sourcing rules.

## **Schedule S - Minimum Tax Base Apportionment**

### ***Taxable Members***

#### **Line 1**

Intangible assets located within Connecticut. In each member column, for each taxable member, enter the average monthly net book value of all intangible assets, exclusive of holdings of stock of private (nongovernmental) corporations, held or managed within Connecticut. The intangible assets of a company that has its principal place of business within Connecticut are deemed to have a tax situs within Connecticut unless it can be clearly established that some or all of the assets are held in connection with business conducted during the income year outside Connecticut. Intercorporate holdings of stock are eliminated.

In each member column, for each nontaxable member, enter zero ("0").

#### **Line 2**

Tangible property located within Connecticut. In each member column, for each taxable member, enter the average monthly net book value of all tangible property held within Connecticut.

In each member column, for each nontaxable member, enter zero ("0").

#### **Line 3**

For each member column, add the Connecticut intangible assets reported on Line 1 and the Connecticut tangible property reported on Line 2.

### ***Taxable and Nontaxable Members***

#### **Line 4**

Everywhere intangible assets. In each member column, for taxable and nontaxable members, enter the average monthly net book value of all intangible assets, exclusive of holdings of stock of private (nongovernmental) corporations. Intercorporate holdings of stock are eliminated.

#### **Line 5**

Everywhere tangible property. In each member column, for taxable and nontaxable members, enter the average monthly net book value of all tangible property.

#### **Line 6**

For each member column, add the everywhere intangible assets reported on Line 4 and the everywhere tangible property reported on Line 5.

#### **Line 7**

For each member column, add the amounts reported on Line 6 and enter the total.

#### **Line 8**

Connecticut minimum tax base apportionment. For each member column, divide the Connecticut assets of taxable members reported on Line 3 by the combined group's total everywhere assets reported on Line 7, carry to six places. Also enter each taxable member's apportionment in the appropriate column on Form CT-1120CU-MTB, Line 8.

### **Financial Service Companies, REITs and RICs**

Financial service companies, real estate investment trusts, and regulated investment companies should enter zero ("0") for their asset values reported for both everywhere and within Connecticut.