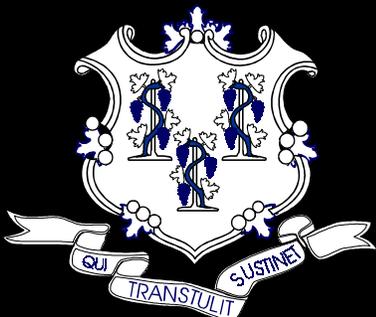


2000 FORM CT-1041

This booklet
contains:

- Form CT-1041
- Schedule B
- Schedule C
- Schedule CT-1041FA
- Form CT-1041 EXT
- Form CT-1041ES

Note: Line references to federal Form 1041 are based on information available to us from the Internal Revenue Service's Web site through July 20, 2000.



Connecticut Income Tax Return for Trusts and Estates

- Resident Trusts and Estates
- Nonresident Trusts and Estates
- Part-Year Resident Trusts

Dear Customer:

During the past six years, tax cuts of over \$2 billion have been implemented, reducing the state tax burden for all Connecticut taxpayers. Not only does this enhance Connecticut's reputation as the premier location for people to live, work, and play, it continues to help drive the state's economic success.

This year, we have introduced a new "Quick-File" process that will make filing **Form CT-1041**, *Connecticut Income Tax Return for Trusts and Estates*, much faster for many taxpayers. Please read about it on Page 3, and take advantage of it if you can.

Should you have questions about Connecticut taxes or filing this return, DRS Taxpayer Services staff can answer them by phone, letter, or e-mail. Use the information on the back cover to reach them. The DRS Web site is also a valuable resource that is available 24 hours a day, seven days a week. Visit the Web site address below to preview and download Connecticut tax forms, DRS publications, and other information that you may need to complete this or any other Connecticut tax return.

DRS continues to focus on providing you with excellent customer service and a user-friendly approach to tax administration. I welcome your comments and ideas on how we can improve the way we do business. Please phone, write, or e-mail me through our Web site.

I look forward to hearing from you.

Sincerely,

Gene Gavin
Commissioner of Revenue Services

Taxpayer information is available on our Web site:
www.drs.state.ct.us

CONN-TAX

If you have a touch-tone phone, you can obtain important income tax information 24 hours a day from CONN-TAX, the Department's information line. Call **1-800-382-9463** (toll-free from within Connecticut) or **860-297-5962** (from anywhere), press "1" to be connected to "Income Tax Information Menu," then press "2" to select "Recorded Income Tax Information." Enter the three-digit number next to the topic of your choice shown below, or follow the prerecorded instructions.

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Extended Telephone Hours for the 2001 Filing Season (Option "0"):

Monday, **January 29** (until 7 p.m.)
Wednesday, **January 31** (until 7 p.m.)
Monday, **February 5** (until 7 p.m.)
Wednesday, **February 7** (until 7 p.m.)

2001 Extended Telephone Personal Assistance and Walk-in Hours:

(25 Sigourney Street, Hartford Only)

Saturday, **April 14** (8:30 a.m. - 12:00 p.m.)
Monday, **April 16** (until 8 p.m.)
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SOME IMPORTANT CHANGES

- **Form CT-1041** has a new check box for resident estates and full-year resident trusts that meet the requirements to “Quick-File” **Form CT-1041**. The Quick-File option means that you are not required to complete *Schedules A, B, C, and FA*. The fiduciary of a resident estate or full-year resident trust may Quick-File **Form CT-1041** if the trust or estate has **no**:
 1. Nonresident beneficiaries;
 2. *Schedule A* Connecticut fiduciary adjustments;
 3. Connecticut alternative minimum tax; or
 4. Adjusted net Connecticut minimum tax credit.

See *Form CT-1041 Quick-File Line Instructions*, on Page 14.
- For the taxable year beginning on or after January 1, 2000, and prior to January 1, 2001, each trust or estate that is a shareholder of an S corporation subject to the Connecticut corporation business tax must include 30% of its pro rata share of the S corporation’s nonseparately computed income or loss, multiplied by the S corporation’s corporation business tax apportionment percentage, in computing **Form CT-1041, Schedule A, Connecticut Fiduciary Adjustments**. See *Schedule A, Line 3* on Page 19, or *Line 10* on Page 21.
- The fiduciary of a trust or estate who received an extension of time to file **Form CT-1041** for taxable years beginning on or after January 1, 2000, and who later filed an amended **Form CT-1041** to claim a refund, must do so no later than three years after the date on which **Form CT-1041** is filed, or three years after the extended due date of **Form CT-1041**, whichever is earlier.
- The credit for alternative minimum tax imposed by and paid to a Canadian province is repealed for taxable years beginning on or after January 1, 2000.

DEFINITIONS

For Connecticut income tax purposes, an **estate** is either a resident estate or a nonresident estate. A **trust** is either a resident trust, nonresident trust or part-year resident trust.

IMPORTANT: The residence of the fiduciary or the beneficiary does not affect the status of a trust or estate as resident or nonresident.

Fiduciary applies to a person who occupies a position of special confidence toward others, such as a trustee, executor, or administrator. A fiduciary is a person who holds in trust property in which another person has a beneficial interest, or who receives and controls the income of another.

NOTE: Any reference to “you” in this booklet refers to the fiduciary.

Resident estate is where a decedent was domiciled in Connecticut at the time of his or her death. A resident estate also includes a bankruptcy estate of an individual who, at the beginning of the bankruptcy case, is a Connecticut resident.

Nonresident estate is an estate that is not a resident estate for any part of the year.

Trust means an arrangement that is ordinarily created either by a will or by an *inter vivos* declaration whereby a trustee or trustees take title to property to protect or conserve it for beneficiaries, and that is classified and treated as a trust for federal income tax purposes.

Testamentary trust is a trust or portion of a trust created by the will of a decedent. **Inter vivos trust** is a trust created other than by the will of a decedent.

Resident trust is any trust or portion of a trust, consisting of property transferred by the will of a decedent who, at the time of death, was a resident individual. If an irrevocable trust consists of property of a grantor domiciled in Connecticut when the trust became irrevocable, it is a *resident trust*.

The criteria used to determine the domicile of a decedent or grantor are the same criteria used to determine domicile for Connecticut individual income tax purposes.

The term *resident trust* also includes a trust or a portion of a trust, consisting of the property of: (i) a person who was a resident of this state at the time the property was transferred to the trust, if the trust was then irrevocable; (ii) a person who, if the trust was revocable at the time the property was transferred to the trust, and has not subsequently become irrevocable, was a resident of this state at the time the property was transferred to the trust; or (iii) a person who, if the trust was revocable when the property was transferred to the trust but the trust has subsequently become irrevocable, was a resident of this state at the time the trust became irrevocable.

For this purpose, a trust is **revocable** if it is subject to a power, exercisable immediately or at any future time, to revert title in the person (the grantor) whose property constitutes the trust. A trust becomes **irrevocable** when the possibility that such power may be exercised has ended.

Nonresident trust is a trust that is not a resident trust for any part of the year. **Part-year resident trust** is a trust that meets the definition of resident trust or nonresident trust for only part of the year.

Grantor type trust is a legal trust under applicable state law that is not recognized as a separate taxable entity for income tax purposes because the grantor or other substantial owners have not relinquished complete dominion and control over the trust.

Connecticut alternative minimum tax is a tax imposed on certain individuals, estates, and trusts in addition to their regular income tax. Fiduciaries who have a federal alternative minimum tax liability are subject to the Connecticut alternative minimum tax. The tax rate is the lesser of 19% of adjusted federal tentative minimum tax or 5% of adjusted federal alternative minimum taxable income. For information on how to calculate the adjusted federal alternative minimum taxable income of an inter vivos trust with one or more nonresident noncontingent beneficiaries, see *Connecticut Taxable Income for Certain Inter Vivos Trusts*, on Page 6.

Noncontingent beneficiary is a beneficiary whose interest is not subject to a condition precedent and includes every individual to whom a trustee of an inter vivos trust during the taxable year: (i) is required to currently distribute income or corpus (or both); or (ii) properly pays or credits income or corpus (or both); or (iii) may, in the trustee’s discretion, distribute income or corpus (or both). **Noncontingent beneficiary** includes every beneficiary to whom or to whose estate any of the trust’s income for the taxable year must be distributed at a specified future date or event; **and** every beneficiary who has the unrestricted lifetime or testamentary power, exercisable currently or at some future specified date or event, to withdraw any of the trust’s income for the taxable year, or to appoint such income to any person, including the estate of such beneficiary. This also applies to a noncontingent beneficiary which is a trust or an estate. Wherever reference is made to an individual who is a noncontingent beneficiary, that reference includes a trust or estate that is a noncontingent beneficiary, but does not include a corporation that is a noncontingent beneficiary.

Contingent beneficiary is an individual (or trust or estate) who is a beneficiary, but not a noncontingent beneficiary, of a resident inter vivos trust.

GENERAL INFORMATION

How to Get Help

DRS is ready to help you and offers several resources where you can get answers to your Connecticut tax questions. Visit the DRS Web site at www.drs.state.ct.us or for personal assistance, refer to the back cover of this booklet for a list of DRS walk-in offices and telephone numbers. DRS offices are open Monday through Friday, 8:00 a.m. to 5:00 p.m. If you visit, be sure to bring your **completed** federal Form 1041 and your **state copy** of federal Forms W-2, W-2G, and any other forms showing Connecticut income tax withholding.

Personal telephone assistance is available Monday through Friday, 8:00 a.m. to 5:00 p.m. Extended hours are offered January through April. Automated information may answer your questions anytime. Call Conn-Tax, the DRS information line or visit the DRS Web site for details.

How to Get Additional Forms and Publications

Download and print Connecticut tax forms and publications seven days a week from the DRS Web site, www.drs.state.ct.us. Forms are also available during business hours at any of the DRS walk-in offices and the other sources listed on the back cover of this booklet. You may also photocopy the forms you need from the *2000 Connecticut Package X*, which is available at most public libraries.

Who Must File Form CT-1041

The fiduciary of a Connecticut **resident estate** or **trust**, or **part-year resident trust** must file **Form CT-1041**, *Connecticut Income Tax Return for Trusts and Estates*, if the trust or estate:

- Is required to file a federal fiduciary income tax return for the taxable year; **or**
- Had any Connecticut taxable income for the taxable year.

The fiduciary of a **nonresident trust** or **estate** must file **Form CT-1041** if the trust or estate:

- Had income derived from or connected with sources within Connecticut;
- Incurred a net operating loss for Connecticut income tax purposes, but not for federal income tax purposes; **or**
- Incurred a net passive activity loss or net capital loss for Connecticut income tax purposes but did

not incur a net passive activity loss or net capital loss, respectively, for federal income tax purposes.

Income derived from or connected with Connecticut sources includes income:

- Attributable to ownership or disposition of real or tangible personal property within Connecticut including, but not limited to, the income from the rental or sale of such property;
- Attributable to compensation for services performed in Connecticut or income from a business, trade, profession or occupation carried on in Connecticut;
- From a partnership doing business in Connecticut;
- From an S corporation doing business in Connecticut; or
- From a trust or estate with income derived from or connected with sources within Connecticut.

A trust or estate carries on a business, trade, profession or occupation within Connecticut if:

1. It maintains or operates desk space, an office, shop, store, warehouse, factory, agency, or other place **in Connecticut** where its affairs are systematically and regularly carried on; **or**
2. Business activities are conducted **in Connecticut** with a fair measure of permanency and continuity for livelihood or profit, as distinguished from isolated or incidental transactions.

A *grantor trust* that is required to file federal Form 1041, must file **Form CT-1041** in the same manner.

Federal Form 1041-A and 5227 Filers

A fiduciary that is required to file federal **Form 1041-A** or federal **Form 5227**, or both, is not required to file **Form CT-1041**. However, the fiduciary must give appropriate information to the beneficiaries to enable them to complete their individual Connecticut returns. The fiduciary must disclose to the nonresident beneficiaries the amount of income derived from or connected with Connecticut sources.

Group Returns

A group return may be filed and taxes paid using **Form CT-G**, *Connecticut Group Income Tax Return*, on behalf of electing beneficiaries only by trust or estates with ten or more qualified electing nonresident individual beneficiaries in each taxable year. All qualified electing nonresident beneficiaries must have the same taxable year.

A **qualified electing nonresident beneficiary** is one who meets **all** of the following conditions:

1. The beneficiary was a nonresident individual for the entire taxable year;
2. The beneficiary did not maintain a permanent place of abode in Connecticut at any time during the taxable year;
3. The beneficiary (or his or her spouse, if a joint federal income tax return is or will be filed) did not have income derived from or connected with Connecticut sources, other than the beneficiary's share of trust or estate income derived from or connected with sources within Connecticut;
4. The beneficiary waives the right to claim any Connecticut personal exemption and any Connecticut personal credit;
5. The beneficiary does not have a Connecticut alternative minimum tax liability for the taxable year; **and**
6. The beneficiary elects to be included in **Form CT-G** by completing and delivering **Form CT-2NA**, *Connecticut Nonresident Income Tax Agreement/Election to be Included in a Group Return*, to the trust or estate prior to the filing of **Form CT-G** by the trust or estate. By making this election, the beneficiary expressly consents to personal jurisdiction in Connecticut for Connecticut income tax purposes and waives his or her right to request, on his or her own behalf or with others making the election, an extension of time to pay Connecticut income tax.

Connecticut Tax Returns for Individuals

Every fiduciary who acts for an individual whose entire income is in his or her control (for example, a guardian or conservator for an incompetent person) must file a return for (1) a resident individual on **Form CT-1040**, or (2) a nonresident or part-year resident on **Form CT-1040NR/PY**. In these cases, the fiduciary must pay the tax due.

Tax returns for decedents - The executor, administrator, or other representative of a taxpayer who died during the taxable year must file **Form CT-1040**, **Form CT-1040EZ** or **Form CT-1040NR/PY**, depending upon the decedent's resident status.

Change of Residence of the Grantor of a Revocable Trust

If the grantor of a revocable trust changes his or her domicile from or to Connecticut between the time of transfer of the property to the trust and the time it becomes

irrevocable, the residence of the trust is considered changed at the date it ceases to be revocable. In this case the fiduciary must, for the taxable year in which the change of status of the trust occurs, file *Schedule CT-1041FA, Fiduciary Allocation*. The change of residency of a beneficiary does not affect the status of the trust.

Connecticut Taxable Income for Certain Inter Vivos Trusts

If any resident trust or portion of a resident trust, other than a testamentary trust, has one or more nonresident *noncontingent beneficiaries*, the Connecticut taxable income of the trust is the sum of all income derived from or connected with sources within this state, **and** that portion of all other income which is derived by applying a fraction to all other income. The numerator of the fraction is the number of resident noncontingent beneficiaries and the denominator is the total number of noncontingent beneficiaries.

How Part-Year Resident Trusts are Taxed

The income of a part-year resident trust derived from or connected with sources within Connecticut is the sum of the following:

1. The fiduciary's share of Connecticut taxable income for the period of residence, computed as if the taxable year for federal income tax purposes was limited to the period of residence; **and**
2. The fiduciary's share of Connecticut taxable income derived from or connected with sources within Connecticut for the period of nonresidence, determined as if the taxable year for federal income tax purposes was limited to the period of nonresidence; **and**
3. The amount of special accruals (see Page 7).

Connecticut Income Taxation of the Bankruptcy Estate of an Individual

The Bankruptcy Code provides that, for state and local income tax purposes, in any case of an individual under chapters 7, 11, or 12 of the Bankruptcy Code, any income of the bankruptcy estate is computed in the same manner as the income of an estate, and the tax on a bankruptcy estate is computed in the same manner as the tax on an estate. Thus, the income of the bankruptcy estate of an individual in a case under chapters 7, 11, or 12 of the Bankruptcy Code on which Connecticut income tax is imposed is its Connecticut taxable income. The starting point in computing the bankruptcy estate's Connecticut

taxable income is its federal taxable income. Items that are deductible in computing the federal taxable income of the bankruptcy estate of an individual, including the exemption amount that is deductible by the bankruptcy estate under I.R.C. §151(d)(1), are taken into account. Items that are not deductible in computing the federal taxable income of the bankruptcy estate of an individual, including the deduction under I.R.C. §642(b), are not taken into account. The estate's share of the Connecticut fiduciary adjustment is added to or subtracted from the estate's federal taxable income, and the estate's share of the Connecticut fiduciary adjustment is 100%. The bankruptcy estate of an individual in a case under chapters 7, 11, or 12 of the Bankruptcy Code is also subject to the Connecticut alternative minimum tax.

Because a federal Form 1041 is used only as a transmittal for the individual's federal Form 1040 by a bankruptcy estate of an individual in a case under chapters 7 or 11 of the Bankruptcy Code, the bankruptcy estate's federal taxable income is computed on the individual's federal Form 1040. Therefore, where **Form CT-1041** is filed for a bankruptcy estate of an individual in a case under chapters 7 or 11 of the Bankruptcy Code, references in **Form CT-1041** to federal taxable income of fiduciary (from federal Form 1041, Line 22) are references to the federal taxable income computed on the individual's federal Form 1040.

The Bankruptcy Code also provides that, for the estate of an individual in a case under chapter 7 of the Bankruptcy Code, the trustee must file a state or local income tax return for the estate only if the estate has **net taxable income for the entire period after the order for relief under chapter 7 during which the case is pending**. If the bankruptcy estate of an individual in a case under chapter 7 has net taxable income for the entire period, the trustee must file **Form CT-1041** for each taxable year during this period as long as the trustee would otherwise have to file a Connecticut income tax return. If the bankruptcy estate of an individual in a case under chapter 7 does not have net taxable income for the entire period, the trustee is not required to file **Form CT-1041** for each taxable year during the period, even if the trustee would otherwise have to file a Connecticut income tax return.

Net taxable income. A bankruptcy estate has **net taxable income** for the entire period if the estate's income and gains during the period exceed its deductions and losses during the period.

Entire period after the order for relief under chapter 7 during which the case is pending. The entire period begins with the order for relief and terminates with the conversion, dismissal, or closing of the case under chapter 7 of the Bankruptcy Code. In a voluntary case under chapter 7,

beginning the case constitutes an order for relief. In an involuntary case under chapter 7, the bankruptcy court enters an order for relief. The bankruptcy case is pending until it is converted to a case under another chapter of the Bankruptcy Code, dismissed, or closed. The entire period may encompass more than one taxable period.

Special Accruals

A part-year resident trust must recognize and report items of income, gain, loss or deduction on the accrual basis, regardless of the method of accounting normally used. In general, an item of income is subject to special accrual if the right to receive it is fixed and the amount to be paid is determinable with reasonable accuracy at the time the trust changes residency status.

Example: A part-year resident trust that sold property on an installment basis prior to changing from a resident trust to a nonresident trust accrues the entire gain on the sale of that property to the residency portion of the year.

If the trust became a Connecticut resident trust during the taxable year, it must accrue to the nonresidency portion of the year any item of income, gain, loss or deduction which, under an accrual method of accounting, would be reportable at the time it changed its residence. No accrual is required or allowed for items of income, gain, loss or deduction derived from or connected with sources within Connecticut.

If the trust ceases to be a Connecticut resident trust, it must accrue any item of income, gain, loss or deduction which, under an accrual method of accounting, would be reportable at the time the residence was changed. This includes income or gain it elected to report on the installment basis.

Surety Bond in Lieu of Special Accruals

The fiduciary may elect to defer the payment of Connecticut income tax on items of special accrual by filing a surety bond with DRS for an amount not less than the additional Connecticut income tax that would be payable if no surety bond or other security were filed. If you choose this option, you must file **Form CT-1041** for the taxable year when the trust changed its residence and include a separate statement showing the nature and amount of each item of accrual as of the date of change of residence, together with a computation of the additional Connecticut income tax that would be due if the election to file a surety bond had not been made. For further information on the requirements for a surety bond, contact DRS and request a copy of Conn. Agencies Regs. §12-717(c)(4)-1, **Form CT-12-717A**, *Connecticut Surety Bond Form Change of Resident Status - Special Accruals*, and **Form CT-12-717B**, *Change of Resident Status - Special Accruals*.

Taxable Year and Method of Accounting

The taxable year and method of accounting of a trust or estate must be the same as its taxable year and method of accounting for federal income tax purposes.

If the taxable year or method of accounting of a trust or estate is changed for federal income tax purposes, the fiduciary of the trust or estate must also change the taxable year or method of accounting for Connecticut income tax purposes. If a return for a period of less than 12 months is filed for federal income tax purposes, you must also file a short period return for Connecticut income tax purposes.

When to File Form CT-1041

The Connecticut Income Tax Return for Trusts and Estates is due on or before April 17, 2001. If you are not a calendar year filer, your return is due on or before the fifteenth day of the fourth month following the close of the taxable year. If the due date falls on a Saturday, Sunday or legal holiday, the next business day is the due date.

Your 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 (designated PDS) is on or before the due date. Not all services provided by these designated PDSs qualify. Only those specific services listed below qualify at this time.

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

Airborne Express <ul style="list-style-type: none">• <i>Overnight Air Express Service</i>• <i>Next Afternoon Service</i>• <i>Second Day Service</i>	DHL Worldwide Express <ul style="list-style-type: none">• <i>DHL "Same Day" Service</i>• <i>DHL USA Overnight</i>
Federal Express <ul style="list-style-type: none">• <i>FedEx Priority Overnight</i>• <i>FedEx Standard Overnight</i>• <i>FedEx 2Day</i>	United Parcel Service <ul style="list-style-type: none">• <i>UPS Next Day Air</i>• <i>UPS Next Day Air Saver</i>• <i>UPS 2nd Day Air</i>• <i>UPS 2nd Day Air A.M.</i>

This list is subject to change. To verify the names of designated PDSs and qualifying types of service, check the DRS Web site or call DRS. See **Special Notice 99(14)**, *Designated Private Delivery Services*.

If you are not a calendar year filer for federal income tax purposes your tax return is due by the fifteenth day of the fourth month following the close of the taxable year. See *Taxable Year and Method of Accounting*, above.

The 2000 **Form CT-1041** may be used for a taxable year beginning in 2001 if:

1. The trust or estate has a taxable year of less than 12 months that begins and ends in 2001; and

2. The 2001 **Form CT-1041** is not available by the time the trust or estate is required to file its tax return. However, the trust or estate must enter the beginning and ending dates of the taxable year on the 2000 **Form CT-1041** and incorporate any tax law changes that are effective for taxable years beginning on or after January 1, 2001.

The fiduciary must attach an explanatory note to the front of the return, if the return is for a short year beginning and ending in 2001.

If you file your return late or do not pay all the tax due with your return, see *Interest and Penalties*, on Page 11, to determine if you must report interest and penalty with this return.

Requesting an Extension

Extension of Time to File

If the trust or estate cannot meet the filing deadline, the fiduciary must file **Form CT-1041 EXT**, *Application for Extension of Time to File Connecticut Income Tax Return for Trusts and Estates*, and pay all of the tax the trust or estate expects to owe on or before the original due date for filing **Form CT-1041**. **Form CT-1041 EXT** is contained in this booklet. The filing of this form will automatically extend the due date for **six months** if a federal Application for Automatic Extension of Time (federal Form 2758 or Form 8736) has been filed. You are not required to attach a copy of the federal extension request to **Form CT-1041 EXT**.

Form CT-1041 EXT only extends the time to file **Form CT-1041**; it **does not** extend the time to pay the tax due. See *Interest and Penalties*, on Page 11, if you do not pay all the tax due with your request for extension.

If the fiduciary is unable to request an extension because of illness, absence, or other good cause, any person standing in a close personal or business relationship to the fiduciary (including an attorney, accountant, or enrolled agent) may sign the request on the fiduciary's behalf. This person is considered a duly authorized agent for this purpose, provided the request states the reason(s) for a signature other than that of the fiduciary, and states the relationship existing between the fiduciary and the signer.

Extension of Time to Pay the Tax

The fiduciary may be eligible for a six-month extension of time to pay the tax due if it can be shown that paying the tax by the due date will cause undue hardship. The fiduciary may request an extension by filing **Form CT-1127**, *Application for Extension of Time for Payment of Income Tax*, on or before the due date of the original return.

Attach **Form CT-1127** to the front of **Form CT-1041**, or **Form CT-1041 EXT**, and send it on or before the due date. As evidence of the need for extension, the fiduciary must attach:

- A statement of assets and liabilities;
- An itemized list of receipts and disbursements for the preceding three months; **and**
- An explanation of why the fiduciary cannot borrow the money to pay the tax.

If an extension of time to pay is granted and the fiduciary pays all the tax due by the end of the extension period, a penalty will not be imposed. However, interest will accrue on any unpaid tax from the original due date. The fiduciary should make payments as soon as possible to reduce the interest otherwise due. Write the Social Security Number or Federal Employer Identification Number (if applicable), and “**2000 Form CT-1041**” on your check or money order. Mail payments to:

**Department of Revenue Services
Account Receivable Unit
PO Box 5088
Hartford CT 06102-5088**

Where to File

Use the pre-addressed envelope enclosed with the return or mail to:

**State of Connecticut
Department of Revenue Services
PO Box 2934
Hartford CT 06104-2934**

Amended Returns

Use **Form CT-1041** to amend a previously filed return. Check the **Amended Return** box on the front of the return. Enter the amount paid with the original return on Line 12.

If you file an amended **Form CT-1041** to have an overpayment of Connecticut income tax refunded or credited to you, you must do so before the Connecticut statute of limitations expires. (Generally, the statute of limitations expires three years after the due date of your return; but if you timely requested an extension of time to file your return, the statute of limitations expires three years after the extended due date of your return, or three years after the date you filed your return, whichever is earlier.) Set forth below are five circumstances that require the filing of an amended Form CT-1041. You must file an amended Form CT-1041 if:

1. *The IRS changes or corrects your federal income tax return, and the change or correction affects your*

Connecticut income tax liability. You must report the IRS change or correction by filing an amended **Form CT-1041** no later than 90 days after the final determination of your federal income tax liability by the IRS or the federal courts. The penalty for failing to do so is \$50. If the final determination of your federal income tax liability is made after the Connecticut statute of limitations for refunding or crediting overpayments has expired, and the final determination reduces your Connecticut income tax liability, then as long as you file an amended Form CT-1041 no more than 90 days after the final determination of your federal income tax liability, the overpayment will be refunded or credited to the trust or estate.

2. *You file a timely amended federal income tax return, and the amendment affects your Connecticut income tax liability.* You must report the amendment of your federal income tax return by filing an amended **Form CT-1041** no later than 90 days after the date of filing your amended federal income tax return. The penalty for failing to do so is \$50. If you file a timely amended federal income tax return after the Connecticut statute of limitations for refunding or crediting overpayments has expired, and the amendment of your federal income tax return reduces your Connecticut income tax liability, then as long as you file an amended Form CT-1041 no more than 90 days after the date of filing your amended federal income tax return, the overpayment will be refunded or credited to the trust or estate.

If the federal changes affect the distributable net income of the trust or estate, each beneficiary’s share of any Connecticut fiduciary adjustment or Connecticut source income that is affected by the federal changes must be reported by the beneficiary on **Form CT-1040X**, *Connecticut Amended Income Tax Return*, or other appropriate amended return.

3. *You claimed a credit on your Connecticut income tax return for income tax paid to a qualifying jurisdiction, and the qualifying jurisdiction makes a change or correction to the income tax return filed in that jurisdiction that affects your Connecticut income tax liability (by increasing or decreasing the amount of the allowable credit).* You must report the change or correction by filing an amended **Form CT-1041** no later than 90 days after a final determination of your income tax liability by the tax officials or the courts of that qualifying jurisdiction. The penalty for failing to do so is \$50. If the qualifying jurisdiction makes a final determination of your income tax liability after the Connecticut statute of limitations for refunding or crediting overpayments has expired, and the final determination reduces your Connecticut

income tax liability, then as long as you file an amended Form CT-1041 no more than 90 days after the final determination of your income tax liability to that jurisdiction, the overpayment will be refunded or credited to the trust or estate.

4. *You claimed a credit on your Connecticut income tax return for income tax paid to a qualifying jurisdiction, and you file a timely amended income tax return with that jurisdiction that affects your Connecticut income tax liability (by increasing or decreasing the amount of the allowable credit).* You must report the amendment of your income tax return filed with that jurisdiction by filing an amended **Form CT-1041** no later than 90 days after the date of filing your amended income tax return with that jurisdiction. The penalty for failing to do so is \$50. If you file a timely amended income tax return with that other jurisdiction after the Connecticut statute of limitations for refunding or crediting overpayments has expired, and the amendment reduces your Connecticut income tax liability, then as long as you file an amended Form CT-1041 no more than 90 days after the date of filing your amended income tax return with that jurisdiction, the overpayment will be refunded or credited to the trust or estate.
5. *If none of the above circumstances apply, but you made an error or omission in completing your Connecticut income tax return, and the error or omission affects your Connecticut income tax liability.* You must correct the error or omission by filing an amended **Form CT-1041**. An amended Form CT-1041 must be filed no later than three years after the original due date of the return, or, if an extension to file the return was granted, three years after the date you filed the return or three years after the extended due date, whichever is earlier.

Where an amended **Form CT-1041** is not timely filed, and additional Connecticut income tax is due, interest will also be assessed.

Do not file an amended Form CT-1041 to have an overpayment refunded instead of applied to estimated tax for the next taxable year or to change or reduce contributions made to designated funds. The elections that you made on your original return are irrevocable and may not be changed by filing an amended Form CT-1041.

Financial Disability: If you are financially disabled, as defined in I.R.C. §6511(h)(2), the statute of limitations for having an overpayment of Connecticut income tax refunded or credited to you is extended for as long as you are financially disabled. You are considered financially disabled if you are unable to manage your own affairs by reason of a medically determinable physical or mental impairment that

has lasted or can be expected to last for a continuous period of not less than 12 months. You are not considered financially disabled during any period that your spouse or any other person is authorized to act on your behalf in financial matters.

Estimated Tax Payments

Estates and certain trusts are required to make estimated income tax payments for any taxable year ending two or more years after the date of the decedent's death. (For additional information on when certain trusts are required to make estimated income tax payments see I.R.C. §§671 through 679.)

A payment of estimated income tax is generally required if the Connecticut income tax (after tax credits) **minus** Connecticut tax withheld is **more than \$500, and** it is expected that the Connecticut income tax withheld will be less than the required annual payment.

Required Annual Payment

The required annual payment is the lesser of:

1. **90%** of the income tax shown on your **2001** Connecticut income tax return; **or**
2. **100%** of the income tax shown on your **2000** Connecticut income tax return, if you filed a 2000 income tax return that covered a full 12-month period.

The fiduciary of a trust or estate is not required to make estimated income tax payments if a 2000 income tax return was not filed for a:

- Resident trust or estate because the resident trust or estate had no Connecticut income tax liability; **or**
- Nonresident estate or trust or part-year resident trust with Connecticut source income during the 2000 taxable year because the nonresident estate or trust or part-year resident trust had no Connecticut income tax liability.

If a nonresident estate, nonresident trust or part-year resident trust did not have Connecticut source income in 2000, the fiduciary must use 90% of the income tax shown on the 2001 Connecticut income tax return as the required annual payment.

Special Rules for Farmers and Fishermen

If the trust or estate is classified as a farmer or fisherman (as defined in the I.R.C. §6654(i)(2)) who is required to make estimated income tax payments, you must make only **one** payment. Your payment is due on or before January 15, 2002, for the 2001 taxable year. The required installment is the lesser of 66 ²/₃% of the income tax shown on the 2001 Connecticut income tax return or 100% of the income tax shown on the 2000 Connecticut income tax return.

A farmer or fisherman who files a 2001 Connecticut income tax return on or before March 1, 2002, and pays in full the amount computed on the return as payable on or before that date, will not be charged interest for underpayment of estimated tax.

Farmers and fishermen who use these special rules must complete and attach **Form CT-2210, Underpayment of Estimated Income Tax by Individuals, Trusts, and Estates**, to their Connecticut income tax return to avoid being billed for interest on the underpayment of estimated income tax. **Form CT-2210**, Part I, Box D, must be checked as well as the box for **Form CT-2210** on the front of **Form CT-1041**. See **Informational Publication 2000(13), Farmer's Guide to Sales and Use Taxes, Motor Vehicle Fuels Tax, and Estimated Income Tax**.

Annualized Income Installment Method

If the trust or estate income varies throughout the year, the trust or estate may be able to reduce or eliminate the amount of your estimated tax payment for one or more periods by using the annualized income installment method. See **Informational Publication 99(33), A Guide to Calculating Your Annualized Estimated Tax Installments and Worksheet CT-1040AES**.

Filing Form CT-1041ES

Use **Form CT-1041ES, Estimated Connecticut Income Tax for Trusts and Estates**, to make estimated Connecticut income tax payments for 2001.

Guidelines for Banking Institutions

Banking institutions that wish to file multiple estimated Connecticut income tax payments, see **Informational Publication 94(7), A Guide for Filers of Multiple Forms CT-1041ES**.

Interest for Underpayment of Estimated Tax

If the fiduciary did not pay enough tax through withholding or estimated payments, or both, by any installment due date, the fiduciary may be charged interest. This is true even if

the fiduciary is due a refund on the income tax return. Interest is calculated separately for each installment. Therefore, the fiduciary may owe interest for an earlier installment, even if the fiduciary paid enough tax later to make up the underpayment. Interest at 1% (.01) per month or fraction of a month will be added to the tax due until the **earlier of** April 15, 2001, or the date on which the underpayment is paid.

A fiduciary who files a 2000 Connecticut Income Tax Return on or before January 31, 2001, and pays in full the total amount computed on the return as payable for the taxable year, will not be charged interest for failing to make the estimated payment due January 16, 2001. (This does not apply to taxpayers paying estimated federal and Connecticut taxes as farmers or fishermen.)

Filing Form CT-2210

The fiduciary may be charged interest if the 2000 Connecticut income tax (after tax credits) minus Connecticut tax withheld, is more than \$500. Use **Form CT-2210, Underpayment of Estimated Income Tax by Individuals, Trusts, and Estates**, to calculate interest on the underpayment of estimated tax. **Form CT-2210** and detailed instructions are available from DRS. However, this is a complex form and you may prefer to have DRS calculate the interest and send you a bill.

Interest and Penalties

In general, interest and penalty apply to any portion of the tax that is not paid on or before the original due date of the return.

Interest

If the fiduciary does not pay the tax when due, the fiduciary will owe interest at the rate of 1% per month or fraction of month until the tax is paid in full.

If the fiduciary did not pay enough tax through withholding or estimated payments, or both, by any installment due date,

2001 Estimated Tax Due Dates	
April 17, 2001	25% of your required annual payment
June 15, 2001	25% of your required annual payment (A total of 50% of your required annual payment should be paid by this date.)
September 17, 2001	25% of your required annual payment (A total of 75% of your required annual payment should be paid by this date.)
January 15, 2002	25% of your required annual payment (A total of 100% of your required annual payment should be paid by this date.)

Due dates of installments and the amount of required payments for 2001 calendar year taxpayers are:

An estimate will be considered timely filed if received on or before the due date, or if the date shown by the U.S. Postal Service cancellation mark is on or before the due date. Taxpayers who report on other than a calendar year basis, should use their federal estimated tax installment due dates. If the due date falls on a Saturday, Sunday or legal holiday, the next business day is the due date.

interest may be charged. This is true even if you are due a refund when the income tax return is filed. See *Interest for Underpayment of Estimated Tax* on Page 11.

Interest on underpayments or late payments of tax cannot be waived.

Penalty for Late Payment or Late Filing

The penalty for late payment or underpayment of income tax is 10% (.10) of the tax due. If a request for an extension of time has been granted, the fiduciary can avoid a penalty for failure to pay the full amount due by the original due date if the fiduciary:

- Pays at least 90% of the income 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 return 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 that is required by law to be filed.

Penalty for Failure to File

If the fiduciary does not file the return and DRS files a return for the fiduciary, the penalty for failure to file is 10% (.10) of the balance due or \$50, whichever is greater. If the fiduciary was required to file an amended **Form CT-1041** and failed to do so, the fiduciary will be subject to a penalty. See *Amended Returns* on Page 9.

Waiver of Penalty

You may be able to have the penalty waived if the failure to file or pay tax on time was due to a reasonable cause. However, interest **cannot** be waived. Before a penalty waiver can be granted, all tax and interest must be paid. All requests must:

- Be in writing and contain a clear and complete explanation;
- Include the name of the trust or estate, Federal Employer Identification Number, and Social Security Number (if applicable);
- Include the name of the original form filed or billing notice received; **and**
- Include the taxable filing period.

Attach your request to the **front** of your tax return or mail separately with a copy of your tax return to:

**Department of Revenue Services
Penalty Review Committee
PO Box 5089
Hartford CT 06102-5089**

Record Keeping

Keep a copy of the tax return, worksheets that you used, and records of all items appearing on it until the statute of limitations expires for that return. Usually, this is three years from the date the return was due or filed, whichever is later. You may need this information to prepare future returns or to file amended returns.

Copies of Returns

You may request a copy of a previously filed Connecticut income tax return from DRS by completing **LGL-002, Request for Disclosure of Tax Return or Tax Return Information**. You can usually expect your copy in three weeks.

Order in Which to Complete Form CT-1041 and Schedules

For trusts or estates that do not meet the Quick-File Requirements.

The order in which to complete **Form CT-1041** and the schedules for resident and nonresident estates and full-year resident and nonresident trusts and part-year resident trusts is listed below.

1. Resident trust or estate with resident beneficiaries:

- *Schedule A*;
- *Schedule B*, Part 1;
- *Schedule C*;
- The front of **Form CT-1041** excluding Line 3; **and**
- *Schedule I*, Parts 1 and 2, as necessary.

2. Resident estate or full-year resident testamentary trust with any nonresident beneficiaries, or a full-year resident inter vivos trust with nonresident contingent beneficiaries but without nonresident noncontingent beneficiaries:

- *Schedule A*;
- *Schedule B*, Part 1;
- *Schedule CT-1041FA*, Parts 3 and 2;
- *Schedule C*;
- The front of **Form CT-1041** excluding Line 3; **and**
- *Schedule I*, Parts 1 and 2, as necessary.

3. Full-year resident inter vivos trust with nonresident noncontingent beneficiaries:

- *Schedule A*;
- *Schedule B*, Parts 1 and 2;

- *Schedule CT-1041FA*, Parts 3 and 2;
- *Schedule C*;
- The front of **Form CT-1041** excluding Line 3; **and**
- *Schedule I*, Parts 1 and 2, as necessary.

4. Nonresident estate, full-year nonresident trust, or part-year resident inter vivos trust without nonresident noncontingent beneficiaries:

- *Schedule A*;
- *Schedule B*, Part 1;
- *Schedule CT-1041FA*, Parts 3, 2, and 1;
- The front of **Form CT-1041** starting at Line 3; **and**
- *Schedule I*, Parts 1 and 2, as necessary.

5. Part-year resident inter vivos trust with nonresident noncontingent beneficiaries:

- *Schedule A*;
- *Schedule B*, Parts 1 and 2;
- *Schedule CT-1041FA*, Parts 3, 2, and 1;
- The front of **Form CT-1041** starting at Line 3; **and**
- *Schedule I*, Parts 1 and 2, as necessary.

Form CT-8801, Credit for Prior Year's Connecticut Minimum Tax for Individuals, Trusts, and Estates, must be completed as necessary for all types of trusts and estates that expect a credit or credit carryforward of alternative minimum tax paid in a prior year.

INSTRUCTIONS FOR FORM CT-1041

Filing Year

All information on **Form CT-1041** should be for the calendar year January 1 through December 31, 2000, or any other fiscal year beginning in 2000. If filing for such a fiscal year or short taxable year, enter the month and day the taxable year began, and the month, day, and year that it ended, at the top of the front page.

Name and Address

Enter in the spaces at the top of the return, the name of the trust or estate and the name and address of the fiduciary. Also, enter the Federal Employer Identification Number of the trust or estate in the space provided to the right of the address box. If it is necessary to file without a Federal Employer Identification Number, notify DRS once the number has been obtained. If an estate, also enter the decedent's Social Security Number.

IMPORTANT: Enter name of trust or estate and Federal Employer Identification Number on all applicable schedules in the spaces provided.

Type of Return

Final return

Check this box if this is a final return because the trust or estate has been terminated.

Amended return

Check this box if this is an amended return.

Residency Status

Enter the date the trust or estate was created and the date the trust or estate was terminated (if applicable) in the space provided.

Check only one applicable box to identify the resident status of the trust or estate.

If a trust was revocable when property was transferred to the trust but subsequently has become irrevocable, and the residency status of the grantor (whether as a resident or nonresident individual) during the taxable year that the trust became irrevocable differs from the residency status of the grantor during the taxable year that property was transferred to the trust, then the trust would be a *part-year resident trust*.

Type of Entity

Check the applicable box to identify the type of trust or estate. If a trust was created by the will of a decedent, check the additional box.

Rounding Off to Whole Dollars

Generally, you may round off cents to the nearest whole dollar on your return and schedules. However, if you need to add two or more amounts to compute the amount to enter on a line, include cents when adding and round off only the total. 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.

Example: \$1.29 becomes \$1.00 and \$3.50 becomes \$4.00.

Negative Numbers

When entering a negative number, you must precede the number with a minus sign or bracket the amount.

FORM CT-1041 QUICK-FILE REQUIREMENTS

The fiduciary of a resident estate or full-year resident trust may Quick-File **Form CT-1041** if all of the following are true for taxable years beginning on or after January 1, 2000. The resident estate or full-year resident trust has no:

- Nonresident beneficiaries;
- *Schedule A* Connecticut fiduciary adjustments;
- Connecticut alternative minimum tax; **or**
- Adjusted net Connecticut minimum tax credit.

FORM CT-1041 QUICK-FILE LINE INSTRUCTIONS

Line 1 - Connecticut Taxable Income of Fiduciary

Enter federal taxable income of fiduciary (from federal Form 1041, *Line 22*)

Line 2 - Connecticut Income Tax

Multiply Line 1 by 4.5% (.045) and enter the result on Line 2.

Line 3 - Allocated Connecticut Income Tax

Do not complete Line 3.

Line 4 - Credit for Income Tax Paid to Qualifying Jurisdictions (Resident Estates and Full-Year Resident Trusts)

Enter the amount from *Worksheet for Credit for Income Taxes Paid to Qualifying Jurisdictions*, Line 8, on Page 17. You must attach a copy of all income tax returns filed with qualifying jurisdictions to the back of your **Form CT-1041**.

Line 5

Subtract Line 4 from Line 2. If Line 4 is greater than Line 2, enter "0."

Line 6 - Connecticut Alternative Minimum Tax

Do not complete Line 6.

Line 7

Enter the amount from Line 5.

Line 8 - Adjusted Net Connecticut Minimum Tax Credit

Do not complete Line 8.

Line 9 - Connecticut Income Tax

Enter the amount from Line 7.

Lines 10 - 23

To complete Lines 10-23, see *Form CT-1041 Line Instructions* on Pages 15 and 16.

See *Who Must Sign the Return, Paid Preparer Signature, and Mailing the Return*, on Page 16.

FORM CT-1041 LINE INSTRUCTIONS

For trusts or estates that do not meet the Quick-File Requirements.

Line 1 - Connecticut Taxable Income of Fiduciary (Resident Estate or Full-Year Resident Trust Only)

Enter the amount from **Form CT-1041**, *Schedule C*, Line 14.

Line 2 - Connecticut Income Tax (Resident Estate or Full-Year Resident Trust Only)

Multiply Line 1 by 4.5% (.045) and enter the result on Line 2.

Line 3 - Allocated Connecticut Income Tax (Nonresident Estates or Trusts and Part-Year Resident Trusts Only)

Enter the amount from *Schedule CT-1041FA*, Part 1, Line 12.

Line 4 - Credit for Income Tax Paid to Qualifying Jurisdictions (Resident Estates and Full or Part-Year Resident Trusts Only)

Enter the amount from *Worksheet for Credit for Income Taxes Paid to Qualifying Jurisdictions*, Line 8, on Page 17. You must attach a copy of all income tax returns filed with qualifying jurisdictions to the back of your **Form CT-1041**.

Line 5

Resident estates and trusts: Subtract Line 4 from Line 2. Part-year resident trusts: Subtract Line 4 from Line 3. If the result is less than zero, enter "0."

Line 6 - Connecticut Alternative Minimum Tax

If you were required to pay federal alternative minimum tax for 2000, you must file **Form CT-1041**, *Schedule I*. Enter the amount from **Form CT-1041**, *Schedule I*, Part 1, Line 25. Schedule I may be obtained by contacting the DRS Forms Unit. See *How to Get Additional Forms and Publications* on Page 5.

Line 7

Add Line 5 and Line 6, and enter the total on Line 7.

Line 8 - Adjusted Net Connecticut Minimum Tax Credit

Enter the amount from Line 11 of **Form CT-8801**, *Credit for Prior Year's Connecticut Minimum Tax for Individuals, Trusts and Estates*. If you did not pay Connecticut alternative minimum tax in a prior year or you entered an amount on Line 6 of this form, enter "0."

How Will my Contribution be Used?

AIDS RESEARCH EDUCATION FUND	ORGAN TRANSPLANT FUND	ENDANGERED SPECIES, NATURAL AREA PRESERVES, AND WATCHABLE WILDLIFE FUND	BREAST CANCER RESEARCH AND EDUCATION FUND	SAFETY NET SERVICES FUND
<p>This fund was created to assist research, education, and community service programs related to Acquired Immune Deficiency Syndrome (AIDS). The fund is administered by the Connecticut Department of Public Health.</p> <p>To contribute directly send to: AIDS Division, Department of Public Health MS#11APV PO Box 340308 Hartford CT 06134-0308 Make check payable to: "Treasurer, State of Connecticut/AIDS Fund"</p>	<p>This fund was created to assist Connecticut residents in paying all or part of any costs associated with a medically required organ transplant. The fund is administered by the Connecticut Department of Social Services.</p> <p>To contribute directly send to: Department of Social Services Accounts Receivable 25 Sigourney Street Hartford CT 06106-5003 Make check payable to: "Commissioner of Social Services/Organ Transplant Fund"</p>	<p>This fund was established to help preserve, protect, and manage Connecticut's endangered plants and animals, wildlife and their habitats. The fund is administered by the Connecticut Department of Environmental Protection.</p> <p>To contribute directly send to: Department of Environmental Protection-Bureau of Administration Financial Management 79 Elm Street Hartford CT 06106-5127 Make check payable to: "DEP-Endangered Species/ Wildlife Fund"</p>	<p>This fund was created to assist research, education, and community service programs related to breast cancer. The fund is administered by the Connecticut Department of Public Health.</p> <p>To contribute directly send to: Department of Public Health Breast and Cervical Cancer Early Detection Program MS#11HLS PO Box 340308 Hartford CT 06134-0308 Make check payable to: "Treasurer, State of Connecticut/ Breast Cancer Fund"</p>	<p>This fund was created to protect the children of families whose public assistance benefits ended due to a time limit. The fund is administered by the Connecticut Department of Social Services.</p> <p>To contribute directly send to: Department of Social Services Accounts Receivable 25 Sigourney Street Hartford CT 06106-5003 Make check payable to: "Commissioner of Social Services/Safety Net Fund"</p>

Line 9 - Connecticut Income Tax

Subtract Line 8 from Line 7. Enter the total on Line 9.

Line 10 - Connecticut Tax Withheld

This amount must total the income taxes withheld for the State of Connecticut as indicated on your copies of W-2, W-2G, and certain 1099 forms. Only enter income tax withheld for the State of Connecticut. Be sure you staple the "state copy" of all W-2 forms and any other forms showing Connecticut tax withheld to the front of your return or your claim of amounts withheld will not be allowed.

Line 11 - Estimated Tax Paid

Enter on Line 11 the total of all 2000 estimated income tax payments and any 1999 income tax overpayment credited to 2000. Be sure to include any 2000 estimated income tax payments made in 2001.

Line 12 - Payments Made with Extension Request

If you filed **Form CT-1041 EXT**, *Application for Extension of Time to File Connecticut Income Tax Return for Trusts and Estates*, for 2000, enter on Line 12 the amount you paid with **Form CT-1041 EXT**.

If this is an amended return, also include the amount paid with the original return.

Line 13 - Total Payments

Add Lines 10, 11, and 12. Enter the total on Line 13.

Line 14 - Amount Overpaid

If Line 13 is greater than Line 9, subtract Line 9 from Line 13 and enter the result on Line 14. This is the amount of your overpayment. To properly allocate your overpayment, go to Lines 15, 17, and 18. If Line 13 is less than Line 9, go to Line 19.

Line 15 - Amount of Line 14 to be Applied to Your 2001 Estimated Tax

Enter the amount of your 2000 overpayment that you wish to apply to your 2001 Connecticut estimated income tax. It will be treated as an estimate filed on April 15, 2001, if your return is filed on time or if you filed a timely request for extension and your return is filed within the extension period. For fiscal year filers it will be treated as an estimate filed on the fifteenth day of the fourth month of the 2001 taxable year.

IMPORTANT: Your decision to apply this amount to 2001 estimated income tax is irrevocable.

Line 16 - Balance of Overpayment

Subtract Line 15 from Line 14 and enter the result on Line 16.

Line 17 - Amount of Line 16 You Want to Contribute

You may contribute all or a portion of your refund to one or more of five designated funds described above. Check the appropriate box or write in a whole dollar amount for each fund to which you wish to contribute. Add your contributions and enter the total amount on Line 17. Your decision to make this contribution is irrevocable.

IMPORTANT: You may only choose a contribution amount if you are entitled to a refund. Your contribution is limited to your refund amount. You may contribute directly to these funds by mailing a check to the addresses shown.

Line 18 - Amount to be Refunded to You

Subtract Line 17 from Line 16. Enter the result on Line 18. This is the amount of your refund.

Line 19 - Amount of Tax You Owe

If Line 9 is greater than Line 13, subtract Line 13 from Line 9 and enter the result on Line 19.

Line 20 - Penalty for Late Payment or Filing

If you are making a late payment or filing the return after the due date of the return, see *Interest and Penalties* on Page 11.

Line 21 - Interest for Late Payment or Filing

If you fail to pay the tax when due, see *Interest and Penalties* on Page 11.

Line 22 - Interest on Underpayments of Estimated Tax

If Line 9 minus Line 10 is more than \$500, you may owe interest on estimated income tax that you either underpaid or paid late. **Form CT-2210**, *Underpayment of Estimated Income Tax by Individuals, Trusts and Estates*, can help you find out if you did underestimate and will help you calculate the interest.

If you prefer to have DRS calculate the interest, do not file **Form CT-2210**, leave Line 22 blank and we will bill you. Interest on underpayment of estimated income tax stops accruing on the **earlier** of the day you pay your tax or April 15, 2001.

Line 23 - Amount Due

Add Lines 19 through 22 and enter the result on Line 23. Pay the amount in full with the return. Make your check or money order payable to “**Commissioner of Revenue Services.**” Write the Federal Employer Identification Number and “**2000 Form CT-1041**” on the check or money order in the lower left corner. Do not send cash.

Form CT-1041, Questions A, B, and C

The fiduciary must complete Questions A, B, and C on Page 2 of **Form CT-1041**. All inter vivos trusts claiming a resident noncontingent beneficiary percentage on *Schedule B*, Part 2 must complete Question A or this percentage could be disallowed.

Who Must Sign the Return

The fiduciary or an officer representing the fiduciary must sign and date **Form CT-1041** on the back of the return.

Paid Preparer Signature

Anyone the fiduciary pays to prepare the return must sign and date it. Paid preparers must also enter their Social Security Number (SSN) or Preparer Tax Identification Number (PTIN), and their firm's Federal Employer Identification Number (FEIN) in the spaces provided.

Mailing the Return

Keep a copy of this return for the records of the trust or estate. Attach to this return copies of any required schedules and forms. Do **not** attach copies of the federal income tax return or federal schedules. Use the envelope provided when mailing the return.

Credit for Income Taxes Paid to Qualifying Jurisdictions

Resident estates, full-year resident trusts, and part-year resident trusts use this worksheet to claim a credit against Connecticut income tax liability for income taxes paid for the taxable year to another state or a political subdivision of that state, or to the District of Columbia. Credit may only be claimed if the income on which taxes were paid was derived from or connected with sources within the qualifying jurisdiction. For part-year resident trusts, the credit is allowed only for that portion of the taxable year in which a taxpayer was a Connecticut resident trust.

No credit is allowed for any of the following:

- Income tax payments made to a qualifying jurisdiction on income that is not included in Connecticut taxable income;
- Income tax paid to a jurisdiction that is not a qualifying jurisdiction, including a foreign country or its provinces (for example, Canada and Canadian provinces);
- Alternative minimum tax paid to a qualifying jurisdiction;
- Income tax paid to a qualifying jurisdiction, if the fiduciary claimed credit on that other jurisdiction's income tax return for income taxes paid to Connecticut; **and**
- Penalties or interest on income taxes that the fiduciary paid to a qualifying jurisdiction.

The allowed credit must be separately computed for each qualifying jurisdiction. Use separate columns for each jurisdiction for which you are claiming a credit. If you need more than two columns, you should create an identical worksheet. Attach a copy of all income tax returns filed with qualifying jurisdictions to the back of your **Form CT-1041** or the credit will be disallowed.

If you are claiming credit for income taxes paid to another state **and** to one of its political subdivisions, follow these rules to determine your credit:

- A. If the **same amount** of income is taxed by both the city and state:
 1. Use only **one** column of the worksheet to calculate your credit;

WORKSHEET FOR CREDIT FOR INCOME TAXES PAID TO QUALIFYING JURISDICTIONS

Resident estates and full or part-year resident trusts only.

	COLUMN A	COLUMN B
1. Connecticut taxable income of fiduciary 1.		
Enter name of each qualifying jurisdiction		
2. Non-Connecticut income included on Line 1 above 2.		
3. Divide Line 2 by Line 1 (may not exceed 1.0000) 3.	.	.
4. Connecticut tax liability 4.		
5. Multiply Line 3 by Line 4 5.		
6. Income tax paid to a qualifying jurisdiction 6.		
7. Enter the lesser of Line 5 or Line 6 7.		
8. Total Credit (Add the amount on Line 7, for each column) 8.		

2. Enter the same income taxed by both city and state in that column on the worksheet;
3. Combine the amounts of tax paid to the city and the state on that income and enter the total on Line 6 of that column.

B. If the amounts of income taxed by both the city and state are not the same:

1. Use two columns on the worksheet;
2. Include only the same income taxed by both jurisdictions in the first column;
3. Include the excess income taxed by only one of the jurisdictions in the next column.

The credit claimed cannot exceed the amount of tax due to Connecticut on that portion of income taxed in another jurisdiction.

Worksheet Instructions

Line 1 - Connecticut Taxable Income of Fiduciary

• Resident Trust or Estate

Enter on Line 1 of the worksheet:

1. The Connecticut taxable income of the fiduciary from **Form CT-1041**, Line 1; **and**
2. Any net loss derived from or connected with sources in more than one qualifying jurisdiction where you were subject to income taxation (whether or not income tax was actually paid to the jurisdictions).

Example: Taxpayer B, a resident trust, has taxable income of \$70,000, which includes income of \$15,000 from business activities conducted in Massachusetts, and a net loss of \$15,000 from a business conducted in Rhode Island. The fiduciary of this trust must add the \$15,000 net loss to the \$70,000 and enter \$85,000 on Line 1.

• Part-Year Resident Trust

Enter on Line 1 of the worksheet the amount from *Schedule CT-1041FA, Fiduciary Allocation*, Part 1, Line 9, with the following exceptions:

1. Add to the amount from *Schedule CT-1041FA*, Part 1, Line 9, any net loss during the residency portion of the year that was derived from or connected with sources in more than one qualifying jurisdiction where you were subject to income taxation (whether or not income tax was actually paid to the jurisdictions).
2. For the period that the trust is a Connecticut resident trust, add back any item of loss or deduction and subtract any item of income or gain that is an item of special accrual.

Enter the modified amount on Line 1 of the worksheet.

Example: Taxpayer L, a part-year resident trust, has taxable income from its residency period of \$60,000, which includes income of \$15,000 from business activities conducted in Massachusetts, and a net loss of \$20,000 from a business conducted in Rhode Island. The fiduciary of this trust must add the \$20,000 net loss to the \$60,000 and enter \$80,000 on Line 1.

Line 2 - Non-Connecticut Income

• Resident Trust or Estate

Enter on Line 2 of the worksheet the total of non-Connecticut income that is included on Line 1 and is reported on another jurisdiction's income tax return.

• Part-Year Resident Trust

Enter on Line 2 of the worksheet the total of non-Connecticut income for the period of Connecticut residency that is included on Line 1 and is reported on another jurisdiction's income tax return.

For the period that the trust is a Connecticut resident trust, add back any item of loss or deduction and subtract any item of income or gain that is an item of special accrual.

Line 3

• Resident and Part-Year Resident Trust

Divide Line 2 by Line 1. The result cannot exceed 1.0000. Round to four decimal places.

Line 4 - Connecticut Income Tax Liability

• Resident Trust or Estate

Enter on Line 4 of the worksheet the Connecticut tax liability as shown on **Form CT-1041**, Line 2.

• Part-Year Resident Trust

Enter on Line 4 of the worksheet, the allocated Connecticut income tax liability as shown on *Schedule CT-1041FA, Fiduciary Allocation*, Line 12. To determine the Connecticut income tax liability of a part-year resident trust, the tax applies to the "income derived from or connected with sources within this state." The income derived from or connected with sources within this state for a part-year resident trust is the sum of (1) the trust's Connecticut taxable income during the residency portion of the taxable year and (2) the trust's income derived from or connected with sources within Connecticut during the nonresidency portion of the taxable year.

Line 5

Multiply Line 3 by Line 4. Enter the result on Line 5.

Line 6 - Income Tax Paid to Qualifying Jurisdictions

• Resident Trust or Estate

Enter on Line 6 of the worksheet the total amount of income tax paid to a qualifying jurisdiction for the taxable year.

Income tax paid means the lesser of the trust's or estate's tax liability to that jurisdiction or the tax the trust or estate paid to that jurisdiction as reported on a return filed with that jurisdiction, excluding any penalty or interest. Do not report taxes withheld for the qualifying jurisdiction.

• Part-Year Resident Trust

Enter on Line 6 of the worksheet the total amount of income tax paid to a qualifying jurisdiction for the period of Connecticut residency only.

If the tax the trust paid to that jurisdiction was also based on income earned during the nonresidency period, prorate the amount of tax for which you are claiming credit. The proration is based upon the relationship that the income earned in that jurisdiction during the period of Connecticut residency bears to the total amount of income that the trust earned in that jurisdiction in the taxable year.

Example: Taxpayer H, a part-year resident trust, conducted business in Rhode Island all year and paid \$1,200 in Rhode Island tax in 2000. The trust's total Rhode Island income for 2000 was \$20,000 of which \$15,000 was earned while the trust was a Connecticut resident trust. The income tax paid to Rhode Island during the Connecticut residency period is:

$$\frac{\$15,000}{\$20,000} \times \$1,200 = \$900$$

The fiduciary of this trust should enter \$900 on Line 6.

Income tax paid means the lesser of the trust's tax liability to the qualifying jurisdiction or the tax the trust paid to that jurisdiction as reported on a return filed with that jurisdiction, excluding any penalty or interest. Do not report taxes withheld for the qualifying jurisdiction.

Line 7

Enter on Line 7 of the worksheet the lesser of Line 5 or Line 6.

Line 8 - Total Credit for Income Taxes Paid to Qualifying Jurisdictions

Add the amounts from Line 7A, Line 7B, and Line 7 of any additional worksheets. The amount on Line 8 cannot exceed the amount on Line 5. Enter the total on Line 8 and on Line 4 of **Form CT-1041**.

IMPORTANT: Attach a copy of the income tax return filed with each qualifying jurisdiction to your Connecticut income tax return or the credit will be disallowed.

Connecticut Fiduciary Adjustment

Use *Schedule A* to compute the Connecticut fiduciary adjustment, which is then allocated among the trust or estate and its beneficiaries in *Schedule B*, Part 1. The fiduciary adjustment is the total of the additions and subtractions enumerated on **Form CT-1041, Schedule A**, which relate to items of income, gain, loss or deduction of the trust or estate.

Amount paid or set aside for charitable purposes -

When calculating the fiduciary adjustment on **Form CT-1041, Schedule A**, do not include the modifications for any amount paid or set aside for a charitable purpose during the taxable year. (See instructions for federal Form 1041-A, *U.S. Information Return Trust Accumulation of Charitable Amounts*, and federal Form 5227, *Split-Interest Trust Information Return*, for information on charitable deductions.)

Partner of a partnership - If the trust or estate has income as a partner of a partnership, any of the additions or subtractions that apply to the income should be included on **Form CT-1041, Schedule A**. You may obtain the trust's or estate's share of the partnership items from **Form CT-1065, Connecticut Partnership Income Tax Return**.

Beneficiary of another trust or estate - If the trust or estate is a beneficiary of another trust or estate, you may generally obtain the share of the fiduciary adjustment of the other trust or estate to be included on **Form CT-1041, Schedule A**, from its fiduciary.

The trust or estate must make the additions and subtractions for its taxable year within which the taxable year of any S corporation, partnership, or trust or estate of which it is a shareholder, partner or beneficiary, respectively, ends.

Entering Additions and Subtractions

Enter on Line 13, any expense related to the amounts entered on *Schedule A*, Lines 1 through 5, to the extent deductible in determining federal taxable income prior to the deductions related to distributions to beneficiaries. Do not net the expenses against the amounts entered on Lines 1 through 5.

Enter on Line 6, any expense related to the amounts entered on *Schedule A*, Lines 8 through 12, to the extent deductible in determining federal taxable income prior to the deductions related to distributions to beneficiaries. Do not net the expenses against the amounts entered on Lines 8 through 12.

Example: To the extent deductible in determining federal taxable income prior to the deductions relating to distributions to beneficiaries, interest expenses on indebtedness incurred to purchase:

1. State and local government bonds, the interest from which is subject to Connecticut income tax, but exempt from federal income tax, is entered on Line 13 (and not netted against the amount that is entered on Line 1).
2. U.S. government bonds, the interest from which is subject to federal income tax, but exempt from Connecticut income tax, is entered on Line 6 (and not netted against the amount that is entered on Line 8).

INSTRUCTIONS FOR SCHEDULE A

See **Policy Statement 92(3.1)**, *Connecticut Income Tax on Bonds or Obligations Issued by the United States Government, by State Governments or Municipalities*, to determine if you are required to make an adjustment.

ADDITIONS TO FEDERAL TAXABLE INCOME

Enter All Amounts as Positive Numbers.

Line 1 - Interest on State and Local Government Obligations Other than Connecticut

Enter the total amount of interest income derived from state and municipal government obligations, other than obligations of the State of Connecticut or its municipalities, which is not taxed for federal income tax purposes. Do not enter interest income derived from government obligations of Puerto Rico, Guam, American Samoa, or U.S. Virgin Islands.

Line 2 - Exempt-Interest Dividends Received from a Mutual Fund Derived from State or Municipal Government Obligations Other than Connecticut

Enter the total amount of exempt-interest dividends received from a mutual fund that are derived from state and municipal government obligations, other than obligations of the State of Connecticut or its municipalities. If the exempt-interest dividends are derived from obligations of Connecticut or other states, enter only the percentage derived from non-Connecticut obligations. Do not enter exempt-interest dividends derived from government obligations of Puerto Rico, Guam, American Samoa, or U.S. Virgin Islands.

Example: A fund invests in obligations of many states, including Connecticut. Assuming that 20% of the distribution is from Connecticut obligations, the remaining 80% would be added back on Line 2.

Line 3 - Shareholder's Pro Rata Share of S Corporation Nonseparately Computed Loss

The Connecticut corporation business tax on S corporations is being phased out over a five-year period, ending with the 2000 taxable year. This affects the modification to federal taxable income.

Where S Corporation is a Calendar Year Filer: If the trust or estate is a shareholder of an S corporation that is subject to the Connecticut corporation business tax, and the S corporation's taxable year for federal income tax purposes is the *calendar year*, multiply 30% of its pro rata share of the S corporation's nonseparately computed loss

by the S corporation's Connecticut corporation business tax apportionment percentage, and enter this amount on Line 3. (In computing the **estimated Connecticut taxable income for 2001**, you are not required to make a modification. Your total nonseparately computed loss will be included in your federal taxable income.)

Where S Corporation is Other than a Calendar Year Filer: If the trust or estate is a shareholder of an S corporation that is subject to the Connecticut corporation business tax and the S corporation's taxable year for federal income tax purposes is *other than the calendar year*, multiply 55% of its pro rata share of the S corporation's nonseparately computed loss by the S corporation's Connecticut corporation business tax apportionment percentage and enter this amount on Line 3. (To compute the **estimated Connecticut taxable income for 2001**, follow the preceding instructions, but substitute 30% for 55%.)

The trust's or estate's pro rata share of the S corporation's nonseparately computed loss will be reported on federal Form 1120S, Schedule K-1, furnished to you by the S corporation. The S corporation will furnish you with its Connecticut corporation business tax apportionment percentage.

IMPORTANT: If any federal limitations apply, add back only 30% of the net loss (55% of the net loss if the S corporation's taxable year is *other than the calendar year*) included on federal Schedule E, multiplied by the S corporation's Connecticut corporation business tax apportionment percentage.

Line 4 - Loss on Sale of Connecticut State and Local Government Bonds

Enter the total amount of losses from the sale or exchange of notes, bonds or other obligations of the State of Connecticut or its municipalities.

Line 5 - Connecticut Income Tax Payments Deducted in Determining Federal Taxable Income

Add back any Connecticut income tax paid or accrued to the extent deductible in determining federal taxable income prior to deductions relating to distributions to beneficiaries.

Line 6 - Other

Use Line 6 to add back any:

1. Expenses paid or incurred for the production (including management, conservation, and maintenance of property held for the production) or collection of income exempt from Connecticut income tax, to the extent deductible in determining federal taxable income prior to deductions relating to distributions to beneficiaries.

2. Amortizable bond premium on bonds producing interest income exempt from Connecticut income tax, to the extent deductible in determining federal taxable income prior to deductions relating to distributions to beneficiaries.
3. Interest or dividend income on obligations or securities of any authority, commission or instrumentality of the United States which federal law exempts from federal income tax but does not exempt from state income taxes.
4. Interest expenses on indebtedness incurred or continued to purchase or carry obligations or securities, the income from which is exempt from Connecticut income tax, to the extent deductible in determining federal taxable income prior to deductions relating to distributions to beneficiaries.

Line 7 - Total Additions

Add Lines 1 through 6. Enter the total on Line 7.

SUBTRACTIONS TO FEDERAL TAXABLE INCOME

Enter All Amounts as Positive Numbers.

Line 8 - Interest on United States Government Obligations

Enter the total of any interest income (to the extent includable in federal taxable income) derived from U.S. government obligations, which federal law prohibits states from taxing (for example, U.S. government bonds such as Savings Bonds Series EE and Series HH, U.S. Treasury bills and notes).

Do not enter the amount of interest earned on Federal National Mortgage Association (Fannie Mae) bonds, Government National Mortgage Association (Ginnie Mae) bonds, and Federal Home Loan Mortgage Corporation (Freddie Mac) securities. Federal law does not prohibit states from taxing interest income derived from these obligations and this interest income is taxable for Connecticut income tax purposes. Do not enter the amount of interest paid to you on any federal income tax refund.

Line 9 - Exempt Dividends from Certain Mutual Funds Derived from U.S. Government Obligations

Enter the total amount of exempt dividends received from a qualifying mutual fund that are derived from U.S. government obligations. A mutual fund is a qualifying fund if, **at the close of each quarter of its taxable year**, at least 50% of the value of its assets consists of U.S. Government obligations. The percentage of dividends that are exempt dividends should be reported to you by the mutual fund. (See Line 8 instructions above.)

Line 10 - Shareholder's Pro Rata Share of S Corporation Nonseparately Computed Income

The Connecticut corporation business tax on S corporations is being phased out over a five-year period, ending with the 2000 taxable year. This affects the modification to federal taxable income.

Where S Corporation is a Calendar Year Filer: If the trust or estate is a shareholder of an S corporation that is subject to the Connecticut corporation business tax, and the S corporation's taxable year for federal income tax purposes is the *calendar year*, multiply 30% of its pro rata share of the S corporation's nonseparately computed income by the S corporation's Connecticut corporation business tax apportionment percentage and enter this amount on Line 10. (In computing the **estimated Connecticut taxable income for 2001**, you are not required to make a modification. Your total nonseparately computed gain will be included in your federal taxable income.)

Where S Corporation is Other than a Calendar Year Filer: If the trust or estate is a shareholder of an S corporation that is subject to the Connecticut corporation business tax and the S corporation's taxable year for federal income tax purposes is *other than the calendar year*, multiply 55% of its pro rata share of the S corporation's nonseparately computed income by the S corporation's Connecticut corporation business tax apportionment percentage and enter this amount on Line 10. (In computing the **estimated Connecticut taxable income for 2001**, follow the preceding instructions, but substitute 30% for 55%.)

The trust's or estate's pro rata share of the S corporation's nonseparately computed income will be reported on federal Form 1120S, Schedule K-1, furnished to you by the S corporation. The S corporation will also furnish you with its Connecticut corporation business tax apportionment percentage.

IMPORTANT: If you have any deductible losses from a prior year or other adjustments, subtract only 30% of the net income (55% of the net income if the S corporation's taxable year is *other than the calendar year*) included on federal Schedule E, multiplied by the S corporation's Connecticut corporation business tax apportionment percentage.

Line 11 - Gain on Sale of Connecticut State and Local Government Bonds

Enter the total amount of all gains from the sale or exchange of notes, bonds or other obligations of the State of Connecticut or its municipalities.

Line 12 - Refunds of Connecticut Income Tax

Enter the amount of taxable refunds of Connecticut income tax reported on federal Form 1041, Line 8.

Line 13 - Other

Use Line 13 to report any of the following modifications:

1. To subtract any interest paid on indebtedness incurred to acquire investments that provide income taxable in Connecticut but not taxable for federal purposes, to the extent not deductible in determining federal taxable income prior to deductions relating to distributions to beneficiaries.
2. To subtract expenses paid or incurred for the production (including management, conservation, and maintenance of property held for production) or collection of income taxable in Connecticut but exempt from federal income tax, to the extent not deductible in determining federal taxable income prior to deductions relating to distributions to beneficiaries.
3. To subtract any amortizable bond premium on bonds that provide interest income taxable in Connecticut but exempt from federal income tax, to the extent not deductible in determining federal taxable income prior to deductions relating to distributions to beneficiaries.

Do **not** use Line 13 to subtract income subject to tax in another jurisdiction. See *Worksheet for Income Taxes Paid to Qualifying Jurisdictions*, **Form CT-1041**, Line 4.

Line 14 - Total Subtractions

Add Lines 8 through 13. Enter the total on Line 14.

Line 15 - Connecticut Fiduciary Adjustment

Subtract Line 14 from Line 7. Enter here and on **Form CT-1041**, *Schedule B*, Part 1, Line f, Column 5. This amount may be positive or negative.

INSTRUCTIONS FOR SCHEDULE B

If you have a Connecticut fiduciary adjustment, complete *Schedule B*, Part 1, to calculate the fiduciary's and each beneficiary's share of the Connecticut fiduciary adjustment.

Schedule B, Part 2, should only be completed by full-year resident or part-year resident inter vivos trusts with any nonresident noncontingent beneficiaries, to calculate the percentage of resident noncontingent beneficiaries. The status of the beneficiaries is determined as of year end.

Part 1 - Shares of Connecticut Fiduciary Adjustment

Part 1 shows the distribution of the Connecticut fiduciary adjustment among the beneficiaries and the fiduciary of the trust or estate. The shares of the beneficiaries and of the fiduciary in the Connecticut fiduciary adjustment,

Form CT-1041, Schedule A, Line 15, are in proportion to their respective shares of federal distributable net income of the trust or estate.

Report on Part 1 the names and addresses of all beneficiaries, both resident and nonresident, to whom income is distributable, whether or not the income is taxable to the nonresident beneficiaries. **Complete this section even if there is no distribution to the beneficiaries.**

Columns 1 and 2

Enter in Columns 1 and 2, the name, address, and identifying number of each beneficiary of the trust or estate. If the mailing address differs from the home address, give both. If a beneficiary is a nonresident, check the appropriate box to the right of the beneficiary's name. If there are more than four beneficiaries, attach a schedule identical to Part 1 for the additional beneficiaries.

Column 3

Enter the respective share of federal distributable net income of each beneficiary and of the fiduciary on the appropriate lines of Column 3. Entries must be made for all beneficiaries, both resident and nonresident.

If the distributable net income of a trust or estate for the taxable year is zero or less than zero, each beneficiary's share in the Connecticut fiduciary adjustment is in proportion to that beneficiary's share of the income of the trust or estate for the taxable year, and any other amounts that are properly paid or credited or required to be distributed during the taxable year. Any balance of the fiduciary adjustment not allocable to any beneficiary is allocated to the trust or estate.

Column 4

Determine the percentage interest of each beneficiary and of the fiduciary in federal distributable net income of the trust or estate, based upon amounts in Column 3. Enter that percentage on the appropriate line of Column 4.

Column 5

Enter the amount of the Connecticut fiduciary adjustment (from **Form CT-1041, Schedule A, Line 15**) as the total on Line f, Column 5. The share of each beneficiary and of the fiduciary in the total amount is determined by multiplying the total fiduciary adjustment by the Column 4 percentage.

If the trust or estate has no federal distributable net income, each beneficiary's share in the fiduciary adjustment must be in proportion to his or her share of the trust or estate income for the taxable year, under local law or the governing instrument, which is required to be distributed currently, and any amounts of the income distributed during the year. Any balance of the fiduciary adjustment not allocable to beneficiaries must be allocated to the trust or estate. If the

shares in the Connecticut fiduciary adjustment are apportioned in accordance with this paragraph, show the apportionment in a schedule attached to the return.

IMPORTANT: The fiduciary must provide each beneficiary with a schedule of modifications to include on *Schedule 1* of his or her **Form CT-1040** or **Form CT-1040NR/PY**.

Part 2 - Percentage of Resident Noncontingent Beneficiaries

Complete Part 2 to calculate the resident noncontingent beneficiary percentage of a full-year resident or part-year resident inter vivos trust with nonresident noncontingent beneficiaries. These trusts are taxed on income derived from or connected with sources within Connecticut and all other income earned during the period of residency multiplied by the resident noncontingent beneficiary percentage. The percentage is a fraction, the numerator of which is the total number of resident noncontingent beneficiaries, and the denominator of which is the sum of both resident noncontingent and nonresident noncontingent beneficiaries. An example follows the line instructions. (For an explanation of inter vivos trust and noncontingent beneficiary, see *Definitions* on Page 4.)

Line 1

Enter the number, if any, of resident noncontingent beneficiaries on Line 1.

Line 2

Enter the number of nonresident noncontingent beneficiaries on Line 2.

Line 3

Add Lines 1 and 2 and enter the result on Line 3.

Line 4

Divide Line 1 by Line 3 and enter the result as a decimal on Line 4. Round to four decimal places.

If the trust is a full-year resident inter vivos trust, enter this decimal on **Form CT-1041, Schedule C, Line 11**.

If the trust is a part-year resident inter vivos trust, enter this decimal on **Form CT-1041, Schedule CT-1041FA, Fiduciary Allocation, Part 1, Line 5**.

Example: Mr. Jones, a Connecticut resident, established an irrevocable trust in 1989 for the benefit of his three grandchildren, beneficiaries A, B, and C. Since the trust consists of property transferred from a Connecticut resident, the trust is considered a *resident trust*. Because the trust was not created by the will of the decedent, the trust is an *inter vivos trust*. The trust agreement permits the trustee to distribute income or corpus (or both) to all three beneficiaries during the year. This makes all three beneficiaries *noncontingent beneficiaries*. Beneficiaries A and B are Connecticut residents but beneficiary C is a Vermont resident. Since there are one or more nonresident noncontingent beneficiaries, the fiduciary of this trust must complete **Form CT-1041, Schedule B**, Part 2 as follows:

1. Indicate the number, if any, of resident noncontingent beneficiaries.	2
2. Indicate the number of nonresident noncontingent beneficiaries.	1
3. Add Lines 1 and 2.	3
4. Divide Line 1 by Line 3 and enter as a decimal to four places.	0.6667

The decimal on Line 4 (rounded to four decimal places) is entered on **Form CT-1041, Schedule C**, Line 11.

If the trust in the example is a part-year resident trust, the amount on Line 4 is entered on **Form CT-1041, Schedule CT-1041FA**, Part 1, Line 5.

INSTRUCTIONS FOR SCHEDULE C

IMPORTANT: Verify line references from federal Form 1041 at time of completing this schedule. See note on cover.

Resident estates or full-year resident trusts must complete this schedule to calculate Connecticut taxable income.

Lines 1, 2, and 3

Each **resident estate or full-year resident trust**, except for Quick-Filers, must select one of the applicable boxes pertaining to the status of its beneficiaries. Inter vivos trusts with nonresident noncontingent beneficiaries calculate Connecticut taxable income differently than other trusts. (For further information see *Connecticut Taxable Income for Certain Inter Vivos Trusts* on Page 6.)

Check Box 1 **for a resident trust or estate without any nonresident beneficiaries**. Proceed to Line 4 of the instructions. (Skip Lines 7 through 13.)

Check Box 2 **for a resident estate or a resident testamentary trust with one or more nonresident beneficiaries or an inter vivos trust with nonresident contingent beneficiaries but without any nonresident noncontingent beneficiaries**.

- Complete *Schedule CT-1041FA*, Parts 3 and 2, before proceeding to Line 4 of the instructions. (Skip Lines 7 through 13.)

Check Box 3 **for a resident inter vivos trust with one or more nonresident noncontingent beneficiaries**.

- Complete *Schedule CT-1041FA*, Parts 3 and 2, before proceeding to Line 4 of the instructions. (Be sure to complete Lines 7 through 14.)
- You must complete Questions A, B, and C on Page 2 of **Form CT-1041**. All inter vivos trusts claiming a resident noncontingent beneficiary percentage on *Schedule B*, Part 2, must complete Question A or this percentage could be disallowed.

Line 4 - Federal Taxable Income of Fiduciary

Enter on Line 4 the amount of federal taxable income of the fiduciary as reported on federal Form 1041, Line 22.

Line 5 - Fiduciary's Share of Connecticut Fiduciary Adjustment

Enter on Line 5, the fiduciary's share of the Connecticut fiduciary adjustment from *Schedule B*, Part 1, Line e, Column 5. This may be a positive or negative number.

Line 6 - Gross Taxable Income of Fiduciary as Modified

Combine Line 4 and Line 5 and enter the result on Line 6.

Full-year resident inter vivos trusts with one or more nonresident noncontingent beneficiaries complete Lines 7 through 14 — all others go to Line 14 instructions.

Line 7 - Fiduciary's Share of Income From Connecticut Sources

Enter the fiduciary's share of income derived from or connected with sources within Connecticut from *Schedule CT-1041FA*, Part 2, Line e, Column 3.

Line 8

Enter on Line 8a, the amount from *Schedule CT-1041FA*, Part 3, Line 4, Column b. Enter on Line 8b, the amount from *Schedule CT-1041FA*, Part 3, Line 18, Column b. Subtract Line 8b from Line 8a and enter the result on Line 8c.

Line 9 - Income from Connecticut Sources of Fiduciary as Modified

Add Line 7 and Line 8c and enter the result on Line 9.

Line 10 - Connecticut Taxable Income of Fiduciary from Non-Connecticut Sources as Modified

Subtract Line 9 from Line 6 and enter the result on Line 10.

Line 11 - Percentage of Resident Noncontingent Beneficiaries

Enter on Line 11 the decimal, rounded to four places, from Form CT-1041, Schedule B, Part 2, Line 4.

Line 12 - Connecticut Taxable Portion of Non-Connecticut Source Income of Fiduciary

Multiply Line 10 by Line 11 and enter the result on Line 12.

Line 13 - Connecticut Taxable Income of Fiduciary of a Resident Inter Vivos Trust with One or More Nonresident Noncontingent Beneficiaries

Add Line 9 and Line 12 and enter the result on Line 13.

Line 14 - Connecticut Taxable Income of Fiduciary

If the taxpayer is a resident inter vivos trust with one or more nonresident noncontingent beneficiaries, enter the amount from Line 13. Otherwise, enter the amount from Line 6.

The amount on Line 14 must also be entered on Form CT-1041, Line 1.

INSTRUCTIONS FOR SCHEDULE CT-1041FA

IMPORTANT: Verify line references from federal Form 1041. See note on cover.

Schedule CT-1041FA, Fiduciary Allocation, must be completed and attached to Form CT-1041 that is filed for a:

1. Nonresident trust or estate having income derived from or connected with sources within Connecticut;
2. Part-year resident trust;
3. Resident trust or estate with a nonresident beneficiary; or
4. Resident inter vivos trust with one or more nonresident noncontingent beneficiaries.

Refer to the front page of Schedule CT-1041FA to determine which parts must be completed and in what order.

Part 1 - Computation of Connecticut Tax of a Nonresident Estate or Trust and Part-Year Resident Trust

Line 1 - Federal Taxable Income of Fiduciary

Enter the federal taxable income of the fiduciary as reported on federal Form 1041, Line 22.

Line 2 - Fiduciary's Share of Connecticut Fiduciary Adjustment

Enter on Line 2 the amount from Form CT-1041, Schedule B, Part 1, Line e, Column 5. This may be a positive or negative number.

Line 3 - Gross Taxable Income of Fiduciary as Modified

Add Line 1 and Line 2 and enter the result on Line 3.

Line 4 - Connecticut Taxable Income of Fiduciary from Connecticut Sources

To determine the Connecticut taxable income of the fiduciary from Connecticut sources, complete the Schedule CT-1041FA - Line 4 Worksheet below:

Schedule CT-1041FA - Line 4 Worksheet	
a. Fiduciary's share of income from Connecticut sources from Schedule CT-1041FA, Part 2, Line e, Column 3.	
b. Subtract the amount on Schedule CT-1041FA, Part 3, Line 18, Column b from the amount on Part 3, Line 4, Column b. Enter result here.	
c. Subtotal (Add Line a and Line b).	

Part-year resident inter vivos trusts with nonresident noncontingent beneficiaries, complete Lines a through i. All others, enter Subtotal from Line c on Schedule CT-1041FA, Part 1, Line 4, and go to Line 9 of Schedule CT-1041FA.

The amount entered on Line c includes the fiduciary's share of distributable net income and certain gains that are derived from or connected with Connecticut sources for the residency and nonresidency portions of the taxable year, and the share for the residency portion of the taxable year may include income that is not from Connecticut sources. If so, complete Lines d through i to determine the amount to be subtracted from the amount entered on Line c.

d. Enter the portion of the amount on Schedule CT-1041FA, Part 3, Line 24, Column b, that was non-Connecticut source income during the residency portion of the taxable year.	
e. Enter the percentage from Form CT-1041, Schedule B, Part 1, Line e, Column 4.	
f. Multiply Line d by Line e.	
g. Enter the portion of Line b that was non-Connecticut source income during the residency portion of taxable year.	
h. Subtotal (Add Line f and Line g).	
i. Total (Subtract Line h from Line c and enter the result here and on Schedule CT-1041FA, Part 1, Line 4).	

Complete Lines 5 through 8 only for part-year resident inter vivos trusts with nonresident noncontingent beneficiaries.

Line 5 - Percentage of Resident Noncontingent Beneficiaries

Enter on Line 5 the decimal (rounded to four places) from Form CT-1041, Schedule B, Part 2, Line 4.

Line 6 - Connecticut Taxable Income of Fiduciary from Non-Connecticut Sources During the Residency Portion of the Taxable Year as Modified

Enter on Line 6 the amount from Schedule CT-1041FA - Line 4 Worksheet, Line h, on Page 24.

Line 7 - Connecticut Taxable Portion of Non-Connecticut Source Income of Fiduciary

Multiply Line 6 by Line 5 and enter the result on Line 7.

Line 8 - Connecticut Taxable Income of Fiduciary of a Part-Year Resident Inter Vivos Trust with Nonresident Noncontingent Beneficiaries

Add Line 4 and Line 7 and enter the result on Line 8.

Line 9

For a part-year resident inter vivos trust with nonresident noncontingent beneficiaries, enter the amount from Line 8. Otherwise, enter the greater of Line 3 or Line 4.

Line 10 - Connecticut Income Tax

Multiply Line 9 by 4.5% (.045) and enter the result on Line 10. If Line 9 is less than zero, enter "0."

Line 11

Part-year resident inter vivos trusts with one or more nonresident noncontingent beneficiaries:

- If Line 9 is greater than zero, enter 1.0000.
- If Line 9 is less than or equal to zero, enter "0."

All others:

- If Line 4 is greater than zero and Line 4 is greater than or equal to Line 3, enter 1.0000.
- If Line 4 is greater than zero and less than Line 3, divide Line 4 by Line 3, and enter the result as a decimal on Line 11. Round to four decimal places.
- If Line 4 is less than or equal to zero, enter "0."

Line 12 - Allocated Connecticut Tax

Multiply Line 10 by Line 11. Enter the result here and on Form CT-1041, Line 3.

Part 2 - Fiduciary's and Beneficiary's Share of Income from Connecticut Sources

The federal distributable net income derived from or connected with sources within Connecticut (Part 3, Line 24, Column b) is allocated in Part 2 to the trust or estate (fiduciary) and its beneficiaries in proportion to their respective shares in the federal distributable net income of the trust or estate. If Part 3, Line 24, Column b is zero, do not complete Part 2.

Columns 1 and 2

Using Columns 3 and 4 of Form CT-1041, Schedule B, Part 1, enter the respective amount and percentage of federal distributable net income of each beneficiary and of the fiduciary on the appropriate lines of Columns 1 and 2. List beneficiaries in the same order as used on Form CT-1041, Schedule B, Part 1, Column 1. The entries on Schedule B, Part 1, Columns 3 and 4, and Schedule CT-1041FA, Part 2, Columns 1 and 2 are identical.

For resident beneficiaries, their entire distributable share of trust or estate income, not just the portion derived from or connected with Connecticut sources, is included in their Connecticut adjusted gross income.

Column 3

Enter on the Total Line of Column 3, the amount entered on Part 3, Line 24, Column b.

Determine the share of each nonresident beneficiary or of the fiduciary of a nonresident estate or trust or part-year resident trust in the total amount by multiplying the total in Column 3 by the percent in Column 2. For part-year resident trusts, the amounts in Column 3 for nonresident beneficiaries should not include amounts received during the residency portion of the taxable year that were not derived from or connected with sources within Connecticut.

IMPORTANT: The fiduciary must provide each nonresident beneficiary with a schedule of income derived from or connected with sources within Connecticut to include on his or her Form CT-1040NR/PY, Schedule CT-SI.

Part 3 - Details of Federal Distributable Net Income and Amounts of Income Derived from or Connected with Sources Within Connecticut

Enter in Column a the amount reported on federal Form 1041 as modified for the applicable items reported on Form CT-1041, Schedule A, Connecticut Fiduciary Adjustments. For information on federal amounts which may be modified, such as a shareholder's share of S corporation nonseparately computed income or loss, or the gain or loss on the sale of Connecticut state and local government bonds, see Instructions For Schedule A, on Page 19. Enter in Column b the portion of each amount in

Column a that is income or deductions derived from or connected with sources within Connecticut.

Passive Activity Loss Limitations

In completing Column b, recompute any deduction for passive activity losses to determine the amounts that would be allowed if the federal taxable income took into account only items of income, gain, loss or deduction of income derived from or connected with sources within Connecticut.

Part-Year Resident Trust Only

For a part-year resident trust, include in Column b all income during the residency portion of the taxable year and all income derived from or connected with sources within Connecticut during the nonresidency portion of the taxable year. If the trust was a part-year resident trust, include in Column b all items of special accruals. See *Special Accruals* on Page 7.

Do not include in Column b any capital loss carried over from taxable years prior to 1991.

Part-year resident inter vivos trusts with one or more nonresident noncontingent beneficiaries should create a worksheet for *Schedule CT-1041FA*, Part 3, Column b. This worksheet should indicate the amount from Column b that is attributable to non-Connecticut source income during the residency portion of the taxable year. Use this determination to complete the worksheet for *Schedule CT-1041FA*, Part 1, Line 4, on Page 24.

Line 1 and Line 2 - Interest Income and Dividends

Report on Line 1 and Line 2 of Column b, income from interest and dividends included in Column a that is from a trade or business carried on in Connecticut. Also include amounts which relate to items of income, gain, loss or deduction of the trust or estate derived from or connected with sources within Connecticut. Include in Column a and, if applicable, Column b, interest on state and local obligations other than Connecticut and exempt-interest dividends on state and local obligations other than Connecticut.

However, do not include in Column a or Column b any income which is exempt from state taxes under the laws of the United States or of Connecticut, such as interest on United States government bonds or dividends from qualifying mutual funds that are derived from U.S. government obligations. A mutual fund is a qualifying fund if at the close of each quarter of its taxable year, at least 50% of the value of its assets consists of U.S. government obligations.

Line 3 - Business Income (or Loss)

Enter in Column b the net profit from a trade or business carried on in Connecticut by the trust or estate. If business

is carried on both within and outside of Connecticut and the Connecticut income can be adequately determined from the books and records of the business, enter on Line 3, Column b, the net profit from business carried on in Connecticut. If the Connecticut income cannot be adequately determined from the books and records of the business, refer to **Form CT-1040NR/PY, Schedule CT-1040BA**, for instructions on how to determine the portion related to the Connecticut business operations.

Line 4 - Capital Gain (or Loss)

Enter in Column b, the amount of capital gain (or loss) from income derived from or connected with sources within Connecticut.

Part-Year Residents and Nonresidents: Do not include in Column b a capital loss carried over from taxable years prior to 1991. (See *Conn. Agencies Regs. §12-711(b)-6*)

Line 5 - Rents, Royalties, Partnerships, Other Estates, and Trusts

Include in Column b net rents and royalties from:

1. Real property situated in Connecticut whether or not used in or connected with a business;
2. Tangible personal property not used in or connected with a business, if such property has an actual location in Connecticut; **and**
3. Tangible and intangible personal property used in or connected with a trade or business carried on in Connecticut by the trust or estate.

If the trust or estate is a partner in a partnership, its distributive share of partnership income, gain, loss, or deduction derived from or connected with Connecticut sources is entered in Column b. This information is reported by the partnership on **Form CT-1065, Connecticut Partnership Income Tax Return**.

Line 6 - Farm Income (or Loss)

Enter in Column b, the net profit from farming carried on in Connecticut by the trust or estate. If farming is carried on both within and outside of Connecticut and the Connecticut income can be adequately determined from the books and records of the farm, enter on Line 6, Column b, the net profit from farming carried on in Connecticut. If the Connecticut income cannot be adequately determined from the books and records of the farm, refer to **Form CT-1040NR/PY, Schedule CT-1040BA**, for instructions on how to determine the portion related to the Connecticut business operations.

Line 7 - Ordinary Gain (or Loss)

Enter in Column b, the amount of any ordinary gain (or loss) from federal Form 4797 derived from or connected with sources within Connecticut.

Line 8 - Other Income

Enter in Column b any income derived from or connected with sources within Connecticut that is not reportable elsewhere in Part 3. If the trust or estate is a shareholder of an S corporation, enter in Column b its pro rata share of S corporation separately stated income or loss derived from or connected with Connecticut sources. Also enter in Column b its pro rata share of the S corporation's nonseparately stated items of income or loss (to the extent includable in Connecticut taxable income of the fiduciary) that are derived from or connected with Connecticut sources. (The S corporation should provide this information, which is reported in Part V of the S corporation's **Form CT-1120SI**, to you.) If its share includes items of income, such as dividends or capital gains, those items must be included elsewhere on the appropriate lines of *Schedule CT-1041FA*.

- **Part-Year Residents and Nonresidents:** Do not include in Column b any net operating loss carried over from taxable years prior to 1991.

Line 9

Add Lines 1 through 8 and enter the total on Line 9.

Lines 10 through 14

Enter in Column b only that portion of each item of deduction reported in Column a that relates to income derived from or connected with sources within Connecticut (as reported in Column b on Lines 1 through 8).

Line 15

Enter on Line 15, Column a, the deduction allowed to trusts and estates under I.R.C. §642(b). Use the following calculation to determine the amount of the §642 deduction to be reported on Line 15, Column b:

$$\text{Line 15, Column b} = \frac{\text{Part 3, Line 9, Column b}}{\text{Part 3, Line 9, Column a}} \times \text{Line 15, Column a}$$

Line 16

Add Lines 10 through 15 and enter the total on Line 16.

Line 17 - Adjusted Total Income (or Loss)

Subtract Line 16 from Line 9 and enter the result on Line 17.

For Lines 18 through 24 enter in Column b only that portion of Column a that relates to Connecticut sources.

Line 18

Enter on Line 18, Column a, the amount from federal Form 1041, Schedule D, Line 16, Column 1.

Line 19

Enter on Line 19, Column a, the amount from federal Form 1041, Schedule A, Line 1 (long term and short term capital gain portion only).

Line 20

Enter on Line 20, Column a, the amount from federal Form 1041, Schedule A, Line 4.

Line 21

If the amount on Line 4 of this schedule is a loss, enter that amount on Line 21, Column a (as a positive figure). Otherwise, enter "0."

Line 22

Add Lines 17 through 21 and enter the total on Line 22.

Line 23

If Line 4 above is a gain, enter that amount on Line 23. Otherwise, enter "0."

Line 24 - Distributable Net Income

Subtract Line 23 from Line 22 and enter the result on Line 24. Enter the amount from Part 3, Line 24, Column b on Part 2, TOTAL Line, Column 3.

SCHEDULE A - CONNECTICUT FIDUCIARY ADJUSTMENTS - (See instructions)

Additions

1. Interest on state and local government obligations other than Connecticut	▶	1		
2. Exempt-interest dividends received from a mutual fund derived from state or municipal government obligations other than Connecticut	▶	2		
3. Shareholder's pro rata share of S corporation nonseparately computed loss (Enter as a positive number)	▶	3		
4. Loss on sale of Connecticut state and local government bonds (Enter as a positive number)	▶	4		
5. Connecticut income tax payments deducted in determining federal taxable income prior to deductions relating to distributions to beneficiaries	▶	5		
6. Other (Specify)	▶	6		
7. Total additions (Add Lines 1 through 6)	▶	7		

Subtractions

8. Interest on United States government obligations	▶	8		
9. Exempt dividends from certain qualifying mutual funds derived from United States government obligations	▶	9		
10. Shareholder's pro rata share of S corporation nonseparately computed income	▶	10		
11. Gain on sale of Connecticut state and local government bonds	▶	11		
12. Refunds of Connecticut income tax	▶	12		
13. Other (Specify)	▶	13		
14. Total subtractions (Add Lines 8 through 13)	▶	14		
15. Connecticut fiduciary adjustment - (Subtract Line 14 from Line 7. This amount may be positive or negative) Enter on Form CT-1041, <i>Schedule B</i> , Part 1, Line f, Column 5.	▶	15		

Resident estates or full year resident trusts (except for those that meet the Quick-File Requirements) must attach Form CT-1041, Schedule C and if applicable, Schedule CT-1041FA

Questions

- A. If the trust is an inter vivos trust, enter name, address, and Social Security Number of grantor:
Name of grantor: _____
- B. If you check "Part-year resident trust" on the front of this return, enter the date on which the trust became irrevocable: _____
- C. Does the trust or estate have an interest in real property or tangible personal property located in Connecticut? Yes No

Completed Schedules **must** be attached to the back of Form CT-1041 in the following order unless the trust or estate meets the *Quick-File Requirements* on Page 14:

- Schedule B
- Schedule C
- Schedule CT-1041FA
- Schedule I
- Form CT-8801
- Credit for income taxes paid to other jurisdictions - Attach a copy of your return filed with other jurisdictions or the credit will be disallowed.

Declaration: I declare under the penalty of false statement that I have examined this return (including any accompanying schedules and statements) and, to the best of my knowledge and belief, it is true, complete, and correct. (The penalty for false statement is imprisonment not to exceed one year or a fine not to exceed two thousand dollars, or both.) Declaration of preparer (other than the taxpayer) is based on all information of which preparer has any knowledge.

Sign Here Keep a copy of this return for your records	Signature of Fiduciary or Officer Representing Fiduciary	Date	Telephone Number ()
	Paid Preparer's Signature		Preparer's PTIN or SSN
	Firm's Name and Address		Federal Employer ID Number
			Firm's Telephone Number ()

Check this box if you used a paid preparer and do not want forms sent to you next year.
Checking this box does not relieve you of your responsibility to file.

FORM CT-1041 SCHEDULE B

2000

Name of Trust or Estate	Federal Employer ID Number
-------------------------	----------------------------

If you have a Connecticut fiduciary adjustment, complete *Schedule B*, Part 1, to calculate the fiduciary's and each beneficiary's share of the Connecticut fiduciary adjustment. *Schedule B*, Part 2 should only be completed by full-year or part-year resident inter vivos trusts with one or more nonresident noncontingent beneficiaries to calculate the resident noncontingent beneficiary percentage. Attach *Schedule B* to the back of **Form CT-1041**.

PART 1 – SHARES OF CONNECTICUT FIDUCIARY ADJUSTMENT OF A RESIDENT OR A NONRESIDENT ESTATE OR TRUST OR A PART-YEAR RESIDENT TRUST

(1) Name and address of each beneficiary Check box below if beneficiary is a nonresident of Connecticut	(2) Identifying number of each beneficiary	Shares of federal distributable net income (<i>See instructions</i>)		(5) Shares of Connecticut fiduciary adjustment
		(3) Amount	(4) Percent	
a)				
<input type="checkbox"/>				
b)				
<input type="checkbox"/>				
c)				
<input type="checkbox"/>				
d)				
<input type="checkbox"/>				
e) Fiduciary				*
The amount entered on <i>Schedule B</i> , Part 1, Line f, Column 5, should be the same as the amount entered on Form CT-1041, <i>Schedule A</i> , Line 15 (<i>See instructions</i>)		f) Total		100%

*** IMPORTANT:** Enter the fiduciary adjustment from Line e, Column 5, on Form CT-1041, *Schedule C*, Line 5 (if a resident estate or full-year resident trust) or on *Schedule CT-1041FA*, Part 1, Line 2 (if a nonresident estate or trust or a part-year resident trust).

The fiduciary must provide each beneficiary with a schedule of amounts of modifications for inclusion on the applicable income tax return.

PART 2 – PERCENTAGE OF RESIDENT NONCONTINGENT BENEFICIARIES (*See instructions*)

1. Enter the number, if any, of resident noncontingent beneficiaries	1	
2. Enter the number of nonresident noncontingent beneficiaries	2	
3. Add Line 1 and Line 2	3	
4. Divide Line 1 by Line 3 and enter as a decimal (<i>Round to four decimal places, see instructions</i>)	4	.

NOTE: If a full-year resident *inter vivos* trust, enter the percentage from Line 4 above on Form CT-1041, *Schedule C*, Line 11.
If a part-year resident *inter vivos* trust, enter the percentage from Line 4 above on *Schedule CT-1041FA*, Part 1, Line 5.

FORM CT-1041 SCHEDULE C

2000

(Rev. 12/00)

Name of Trust or Estate	Federal Employer ID Number
-------------------------	----------------------------

All resident estates and full-year resident trusts (except for those that meet the Quick-File Requirements) must complete this schedule to determine the status of any nonresident beneficiaries and to calculate Connecticut taxable income. Attach Schedule C to the back of Form CT-1041.

Check applicable box:

- 1) Resident estate without any nonresident beneficiaries, **or**
Full-year resident trust without any nonresident beneficiaries:
Complete Lines 4 through 6; then go to Line 14.
Resident estates or full-year resident trusts that meet the Quick-File Requirements, see Page 14.
- 2) Resident estate with one or more nonresident beneficiaries, **or**
Full-year resident testamentary trust with one or more nonresident beneficiaries, **or**
Full-year resident inter vivos trust with one or more nonresident beneficiaries
but without any nonresident noncontingent beneficiaries:
First complete and attach *Schedule CT-1041FA*, Parts 3 and 2;
Then complete Lines 4 through 6; then go to Line 14.
- 3) Full-year resident inter vivos trust with one or more nonresident noncontingent beneficiaries:
First complete and attach *Schedule CT-1041FA*, Parts 3 and 2;
Then complete Lines 4 through 14.

4. Federal taxable income of fiduciary (from federal Form 1041, Line 22) ▶	4		
5. Fiduciary's share of Connecticut fiduciary adjustment (from Form CT-1041, <i>Schedule B</i> , Part 1, Line e, Column 5) ▶	5		
6. Gross taxable income of fiduciary as modified (Add Line 4 and Line 5)	6		

Full-year resident inter vivos trusts with one or more nonresident noncontingent beneficiaries, complete Lines 7 through 14; all others go to Line 14

7. Enter the fiduciary's share of income from Connecticut sources (<i>See instructions</i>)	7		
8a. Enter the amount from <i>Schedule CT-1041FA</i> , Part 3, Line 4, Column b	8a		
8b. Enter the amount from <i>Schedule CT-1041FA</i> , Part 3, Line 18, Column b	8b		
8c. Subtract Line 8b from Line 8a	8c		
9. Income from Connecticut sources of fiduciary as modified (Add Line 7 and Line 8c)	9		
10. Connecticut taxable income of fiduciary from non-Connecticut sources as modified (Subtract Line 9 from Line 6) ▶	10		
11. Enter as a decimal, the percentage of resident noncontingent beneficiaries (from Form CT-1041, <i>Schedule B</i> , Part 2, Line 4) ▶	11	.	
12. Connecticut taxable portion of non-Connecticut source income of fiduciary (Multiply Line 10 by Line 11)	12		
13. Connecticut taxable income of fiduciary of a resident inter vivos trust with one or more nonresident noncontingent beneficiaries (Add Line 9 and Line 12)	13		
14. Connecticut taxable income of fiduciary. If an inter vivos trust with one or more nonresident noncontingent beneficiaries, enter the amount from Line 13 above. Otherwise, enter the amount from Line 6 above. The amount entered on Line 14 must also be entered on Form CT-1041, Line 1. ▶	14		

FORM CT-1041
SCHEDULE CT-1041FA
Fiduciary Allocation

2000

Name of Trust or Estate	Federal Employer ID Number
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Complete this form as follows:

- Resident estate or trust with one or more nonresident beneficiaries:** complete Part 3, then complete Part 2.
- Nonresident estate or trust and part-year resident trust:** complete Part 3, then Part 2, then Part 1.

Attach *Schedule CT-1041FA* to the back of **Form CT-1041**.

PART 1 - Computation of Connecticut tax of a nonresident estate or trust and part-year resident trust			
1. Federal taxable income of fiduciary (from federal Form 1041, Line 22) ▶	1		
2. Fiduciary's share of Connecticut fiduciary adjustment (from Form CT-1041, <i>Schedule B</i> , Part 1, Line e, Col. 5) ▶	2		
3. Gross taxable income of fiduciary as modified (Add Line 1 and Line 2)	3		
4. Connecticut taxable income of fiduciary from Connecticut sources (<i>See instructions</i>)	4		

Complete Lines 5 - 8 only if a part-year resident inter vivos trust with one or more nonresident noncontingent beneficiaries, otherwise go to Line 9.

5. Enter as a decimal, the percentage of resident noncontingent beneficiaries (from Form CT-1041, <i>Schedule B</i> , Part 2, Line 4) ▶	5	.	
6. Connecticut taxable income of fiduciary from non-Connecticut sources during the residency portion of the taxable year as modified (<i>See instructions</i>) ▶	6		
7. Connecticut taxable portion of non-Connecticut source income of fiduciary during the residency portion of the taxable year (Multiply Line 6 by Line 5)	7		
8. Connecticut taxable income of fiduciary of a part-year resident inter vivos trust with nonresident noncontingent beneficiaries (Add Line 4 and Line 7)	8		
9. If a part-year resident inter vivos trust with one or more nonresident noncontingent beneficiaries, enter the amount from Line 8. Otherwise, enter the greater of Line 3 or Line 4.	9		
10. Connecticut income tax. Multiply Line 9 by 4.5% (.045). If Line 9 is less than zero, enter "0."	10		
11. Part-year resident inter vivos trusts with one or more nonresident noncontingent beneficiaries: If Line 9 is greater than zero, enter 1.00. If Line 9 is less than or equal to zero, enter "0." All others: If Line 4 is greater than zero and greater than or equal to Line 3, enter 1.00. If Line 4 is less than Line 3, divide Line 4 by Line 3 and enter the result as a decimal on Line 11. If Line 4 is less than or equal to zero, enter "0."	11	.	
12. Allocated Connecticut tax (Multiply Line 10 by Line 11, enter here and on Form CT-1041, Line 3) ▶	12		

PART 2 - Fiduciary's and beneficiary's share of income from Connecticut sources (*See instructions*)

Beneficiary - (List in same order as on Form CT-1041, <i>Schedule B</i> , Part 1)		Connecticut Resident		Shares of federal distributable net income (<i>See instructions</i>)		(3) Shares of Income from Connecticut sources
Name and Address	Identifying number of each beneficiary	YES	NO	(1) Amount	(2) Percent	
a)						
b)						
c)						
d)						
e) Fiduciary						
TOTAL					100%	

Enter the amount from Form CT-1041, *Schedule B*, Part 1, Line f, Column 3, on the TOTAL Line of *Schedule CT-1041FA*, Part 2, Column 1. Enter the amount from *Schedule CT-1041FA*, Part 3, Line 24, Column b, on the TOTAL Line of *Schedule CT-1041FA*, Part 2, Column 3.

IMPORTANT: The fiduciary must provide each nonresident beneficiary with a schedule of amounts of Connecticut source income for inclusion by the nonresident beneficiary on his or her Form CT-1040NR/PY, *Schedule CT-SI*.

PART 3 - Details of federal distributable net income and amounts from Connecticut sources (See instructions)

Lines 1 - 17, Column (a), are based on the entries on federal Form 1041, Page 1, with modifications as specified in instructions.		(a) Federal amount as modified	(b) Amount of Column (a) from Connecticut sources
I N C O M E	1. Interest income (See instructions for modifications)	1	
	2. Dividends (See instructions for modifications)	2	
	3. Business income (or loss)	3	
	4. Capital gain (or loss)	4	
	5. Rents, royalties, partnerships, other trust and estates	5	
	6. Farm income (or loss)	6	
	7. Ordinary gain (or loss)	7	
	8. Other income (specify): _____ (See instructions for modifications)	8	
9. TOTAL INCOME (Add Lines 1 through 8)		9	
D E D U C T I O N S	10. Interest	10	
	11. Taxes	11	
	12. Fiduciary fees	12	
	13. Charitable deductions from federal Form 1041, <i>Schedule A</i> , Line 7	13	
	14. Attorney, accountant, and return preparer's fees	14	
	15. Other deductions	15	
	16. TOTAL DEDUCTIONS (Add Lines 10 through 15)	16	
	17. Adjusted total income (or loss) (Subtract Line 16 from Line 9)	17	

Lines 18 - 24 are based on entries from federal Form 1041 schedules.

	18. Enter the amount from federal Form 1041, <i>Schedule D</i> , Line 16(1)	18	
	19. Enter long-term capital gain and short-term capital gain included on federal Form 1041, <i>Schedule A</i> , Line 1	19	
	20. Enter the amount from federal Form 1041, <i>Schedule A</i> , Line 4	20	
	21. If amount on Line 4 above is a loss, enter amount here (as a positive number)	21	
	22. TOTAL (Add Lines 17 through 21)	22	
	23. If amount on Line 4 above is a gain, enter amount here	23	
	24. Distributable net income (Subtract Line 23 from Line 22) - enter Column (b) amount on Part 2, Column (3) TOTAL Line	24	

FORM CT-1041 EXT
Application for Extension of Time to File
Connecticut Income Tax Return for Trusts and Estates

2000
CT-1041 EXT

IMPORTANT! PLEASE READ INSTRUCTIONS ON REVERSE BEFORE COMPLETING THIS APPLICATION

TAXPAYER (Please Type or Print)	Name of Trust or Estate	Federal Employer Identification Number	
	Name and Title of Fiduciary	Date Received (FOR DEPARTMENT USE ONLY)	
	Address of Fiduciary	Number and Street	PO Box
	City or Town	State	ZIP Code
		Decedent's Social Security Number (For Estates Only)	

THIS IS NOT AN EXTENSION OF TIME TO PAY YOUR TAX
YOU MUST INCLUDE PAYMENT IF ANY TAX DUE OR PENALTY AND INTEREST MAY APPLY (SEE INSTRUCTIONS)
AN EXTENSION GRANTED BY THE INTERNAL REVENUE SERVICE DOES NOT AUTOMATICALLY EXTEND THE CONNECTICUT FILING DATE

I request a **six-month extension** of time to **October 15, 2001**, to file my Connecticut Income Tax Return for Trusts and Estates for calendar year 2000, or until _____, _____, for fiscal year ending ► _____, _____.

I have requested a federal extension on either federal Form 2758, *Application for Extension of Time to File Certain Excise, Income, Information, and Other Returns*, or federal Form 8736, *Application for Automatic Extension of Time to File U.S. Return for a Partnership, REMIC, or for Certain Trusts*, for calendar year 2000 or fiscal year beginning _____, _____ and ending _____, _____.

Yes No

If **No**, the reason for the Connecticut extension is _____

YOU WILL BE NOTIFIED ONLY IF YOUR EXTENSION REQUEST IS DENIED.

1. Total Connecticut income tax liability for 2000 (You may estimate this amount)..... 1 Note: An amount must be entered on Line 1. If you do not expect to owe income tax, enter "0."		
2. Connecticut income tax withheld 2		
3. 2000 estimated Connecticut income tax payments including any 1999 overpayments credited to 2000 3		
4. Add Line 2 and Line 3 4		
5. Connecticut income tax balance due (Subtract Line 4 from Line 1). Pay in full with this form. If Line 4 is greater than Line 1, enter "0." ► 5		

Make check or money order payable to: COMMISSIONER OF REVENUE SERVICES.

Write the Federal Employer Identification Number of the trust or estate and "2000 Form CT-1041 EXT" on the check or money order.

Mail to: Department of Revenue Services
PO Box 2934
Hartford CT 06104-2934

DECLARATION: I declare under the penalty of false statement that I have examined this application and, to the best of my knowledge and belief, it is true, complete, and correct. (The penalty for false statement is imprisonment not to exceed one year or a fine not to exceed two thousand dollars, or both.) Declaration of preparer (other than the taxpayer) is based on all information of which preparer has any knowledge.

Sign Here Keep a copy of this form for your records	Signature of Fiduciary or Officer Representing Fiduciary	Date	Telephone Number ()
	Paid Preparer's Signature	Date	Preparer's PTIN or SSN
	Firm's Name and Address		FEIN
			Firm's Telephone Number ()

Form CT-1041 EXT Instructions

Purpose

Use **Form CT-1041 EXT** to request a **six-month extension to file** your Connecticut income tax return for trusts and estates. It will not be necessary to include a reason for the Connecticut extension request if you have already filed an extension on federal Form 2758 or federal Form 8736 with the Internal Revenue Service. If federal Form 2758 or federal Form 8736 was not filed, the fiduciary can apply for a six-month extension to file a Connecticut income tax return provided there is reasonable cause for the request.

How to Get an Extension to File

To obtain a Connecticut extension of time to file, the fiduciary **must**:

1. Complete **Form CT-1041 EXT** in its entirety;
2. File it on or before the due date of the return; **and**
3. Pay the amount shown on Line 5.

The Department of Revenue Services (DRS) will notify you **only** if your request is denied.

IMPORTANT: Form CT-1041 EXT extends **only** the **time to file** the Connecticut income tax return. **Form CT-1041 EXT does not** extend the **time** to pay the income tax.

You may qualify for a six-month extension of time to pay your tax. To request this extension you must file **Form CT-1127, Application for Extension of Time for Payment of Income Tax**, with your timely filed Connecticut income tax return or extension.

Interest and Penalty

In general, interest and penalty apply to any portion of the tax that is not paid on or before the original due date of the return. Interest is computed on the underpayment of tax at the rate of 1% (.01) per month or fraction of a month from the statutory due date to the date of payment.

Late Payment Penalty: The penalty for underpayment of tax is 10% (.10) of the amount due.

Late Filing Penalty: In the event that no tax is due, DRS may impose a \$50 penalty for the late filing of any return or report that is required by law to be filed.

When to File Form CT-1041 EXT

File **Form CT-1041 EXT** on or before April 17, 2001. If the taxable year is other than the calendar year, file **Form CT-1041 EXT** on or before the 15th day of the fourth month following the close of the taxable year. If the due date falls on a Saturday, Sunday, or legal holiday, the next business day is the due date.

Required Information

The following information must be provided when completing **Form CT-1041 EXT**:

1. Name of the trust or estate;
2. Federal Employer Identification Number (FEIN) of the trust or estate;
3. Name and title of the fiduciary;
4. Address of the fiduciary; and
5. Decedent's Social Security Number (SSN) (for estates only).

Signature

The fiduciary must sign this form.

Others Who May Sign

Anyone with a signed Power of Attorney on file may sign on your behalf.

If a fiduciary is unable, by reason of illness, absence or other good cause, to sign a request for an extension, any person standing in a close personal or business relationship to the fiduciary (including attorneys, accountants, and enrolled agents) may sign the request on his or her behalf, and will be considered as a duly authorized agent for this purpose, provided the request sets forth the reasons for a signature other than by the fiduciary and the relationship existing between the fiduciary and the signer.

Mailing Your Form

Keep a copy of this form for your records.

Mail to: **Department of Revenue Services
PO Box 2934
Hartford CT 06104-2934**

FORM CT-1041ES

2001 Estimated Connecticut Income Tax Payment Coupon for Trusts and Estates



General Instructions

Who Should File This Coupon: Use this coupon if you must make estimated income tax payments for 2001.

Nonresident Trusts and Estates and Part-Year Resident Trusts: Nonresident trusts and estates are subject to Connecticut income tax on their Connecticut source income. Part-year resident trusts are taxed on all income received while a resident trust of Connecticut and on income received from Connecticut sources while a nonresident trust. **Connecticut source income** includes, but is not limited to, income from a business, profession, occupation or trade conducted in this state, as well as income from the rental or sale of real or tangible property located in Connecticut.

Who Must Make Estimated Payments: In most cases, a payment of estimated income tax is required if your Connecticut income tax (after tax credits) minus Connecticut tax withheld is more than \$500, and you expect your Connecticut income tax withheld to be less than your required annual payment.

Your required annual payment is the **lesser** of:

- 90% of the income tax shown on your 2001 Connecticut income tax return; **or**
- 100% of the income tax shown on your 2000 Connecticut income tax return, if you filed a 2000 Connecticut income tax return that covered a 12-month period.

You do **not** have to make estimated income tax payments if:

- You were a Connecticut resident in 2000 and you did not file a 2000 income tax return because you had no Connecticut income tax liability; **or**
- You were a nonresident or part-year resident with Connecticut source income in 2000 and you did not file a 2000 income tax return because you had no Connecticut income tax liability.

If you were a nonresident or part-year resident and you did **not** have Connecticut source income in 2000, then you **must** use 90% of the income tax shown on your 2001 Connecticut income tax return as your required annual payment.

Decedents' estates and certain trusts must make estimated Connecticut income tax payments for any taxable year ending two or more years after the date of the decedent's death. See Conn. Gen. Stat. §12-722(n)(2).

When to File: Estimated payments for the 2001 taxable year are due April 17, June 15, September 17, 2001, and January 15, 2002. (Fiscal year filers should follow federal filing due dates. If the due date falls on a Saturday, Sunday or legal holiday, the next business day is the due date.) An estimate is considered timely filed if received or if the date shown by the U.S. Postal Service cancellation mark is on or before the due date.

NOTE: Taxpayers can use certain private delivery services, in addition to the U.S. Postal Service, for delivering returns, claims, statements or other documents, or payments, and meet the timely mailing as timely filing/payment rules. DRS has accepted the list of private delivery services that is currently published by the Internal Revenue Service. The following is the current list of designated private delivery services: Airborne Express (Airborne), DHL Worldwide Express (DHL), Federal Express (FedEx) and United Parcel Service (UPS). This list is subject to change. See **Special Notice 99(14), Designated Private Delivery Services.**

How Much Should I Pay: Complete the *2001 Estimated Connecticut Income Tax Worksheet* on the back to calculate your required annual payment.

Estimated Payment Rules for Farmers and Fishermen: If you are a farmer or fisherman (as defined in I.R.C. §6654(i)(2)) who is required to make estimated income tax payments, you are required to make only one payment. Your installment is due on or before January 15, 2002, for the 2001 taxable year. The required installment is the lesser of 66⅔% of the Connecticut income tax shown on your 2001 return or 100% of the Connecticut income tax shown on your 2000 return. See **Informational Publication 2000(13), Farmer's Guide to Sales and Use Taxes, Motor Vehicles Fuels Tax, and Estimated Income Tax.**

A farmer or fisherman, who files a 2001 Connecticut income tax return on or before March 1, 2002, and pays the full amount computed on the return as payable on or before that date, will not be charged interest for underpayment of estimated tax.

Annualized Income Installment Method: If your income varies throughout the year, using the **annualized income installment method** may help you reduce or eliminate the amount of your estimated tax payment for one or more periods. See **Informational Publication 99(33), A Guide To Calculating Your Annualized Estimated Income Tax Installments and Worksheet CT-1040AES.**

Shareholders of S Corporations: The Connecticut corporation business tax on S corporations is repealed for taxable years beginning on or after January 1, 2001. This affects the modification that shareholders are required to make in computing Connecticut taxable income. The fiduciary who previously claimed a modification for nonseparately computed income or loss on **Form CT-1041, Schedule A**, will no longer make this modification. The fiduciary must include 100% of the trust's or estate's nonseparately computed income or loss to the extent that it is included on the federal income tax return in calculating the federal taxable income that the fiduciary expects to report on the 2001 Connecticut income tax return.

Special rules apply to shareholders of S corporations whose taxable year for federal income tax purposes is other than the calendar year. See instructions for the 2000 **Form CT-1041, Schedule A, Connecticut Fiduciary Adjustments.**

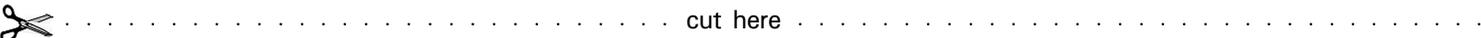
Interest: If you did not pay enough tax through withholding or estimated payments, or both, by any installment due date, you will be charged interest, even if you are due a refund when you file your tax return. Interest is figured separately for each installment. Therefore, you may owe interest for an earlier installment, even if you paid enough tax later to make up for the underpayment. Interest at 1% (.01) per month or fraction of a month will be added to the tax due until the earlier of April 15, 2002, or the date on which the underpayment is paid.

If you file your income tax return for the 2001 taxable year on or before January 31, 2002, and pay the full amount computed on the return as payable for the taxable year, no interest will be calculated on the underpayment of estimated income tax for the fourth required installment. (This does not apply to taxpayers paying estimated Connecticut income taxes as farmers or fishermen.)

How to Get Help: Visit the DRS Web site at www.drs.state.ct.us or for personal assistance, contact the Taxpayer Services Division at 1-800-382-9463 (toll-free from within Connecticut) or 860-297-5962 (from anywhere). TTY, TDD, and Text Telephone **users only** may transmit inquiries 24 hours a day by calling 860-297-4911.

COMPLETE THE PAYMENT COUPON

Complete the payment coupon below. Be sure to complete all the required taxpayer identification information. Enter the payment amount on Line 1 of this coupon. In determining your payment amount, you may subtract from your installment amount any **available** overpayment of 2000 income tax.



CT-1041ES ESTIMATED CONNECTICUT INCOME TAX PAYMENT FOR TRUSTS AND ESTATES		2001
Federal Employer Identification Number ▶	PAYMENT 1	FOR TAXABLE YEAR ENDING
Name of Trust or Estate	DATE RECEIVED (FOR DEPARTMENT USE ONLY) ▶	
Name and Title of Fiduciary	1. Payment Amount ▶	
Address (Number and Street) PO Box		
City or Town, State, and ZIP Code		

Send completed coupon and payment to:

Department of Revenue Services
PO Box 2934
Hartford CT 06104-2934

- See instructions for filing requirements.
- Print all information.
- Make check or money order payable to: **Commissioner of Revenue Services.**
- Write the Federal Employer Identification Number of the trust or estate and "2001 CT-1041ES" on the check or money order.

2001 ESTIMATED CONNECTICUT INCOME TAX WORKSHEET

1. Federal taxable income of trust or estate you expect in 2001 1. _____
2. Allowable Connecticut fiduciary adjustments (additions or subtractions, *see instructions*) 2. _____
3. Connecticut taxable income (Add Line 1 and Line 2) 3. _____
Nonresident Trusts and Estates, and Part-Year Resident Trusts without Any Nonresident Noncontingent Beneficiaries: Enter your income from Connecticut sources if greater than your Connecticut taxable income.
4. Connecticut income tax (Multiply Line 3 by .045) 4. _____
5. Apportionment factor (Connecticut resident trusts and estates enter 1.0000. Nonresident trusts and estates, and part-year resident trusts, *see instructions*) 5. _____
6. Multiply Line 4 by Line 5 6. _____
7. Net credit for income taxes due to qualifying jurisdictions (*See instructions*) 7. _____
8. Subtract Line 7 from Line 6 8. _____
9. Estimated Connecticut Alternative Minimum Tax (*See instructions*) 9. _____
10. Add Line 8 and Line 9 10. _____
11. Adjusted Net Connecticut Minimum Tax Credit (*See instructions*) 11. _____
12. Total estimated income tax (Subtract Line 11 from Line 10) 12. _____
13. Multiply Line 12 by 90% (0.90) 13. _____
14. Enter 100% of the income tax shown on your 2000 Connecticut income tax return (*See instructions*) 14. _____
15. Enter the lesser of Line 13 or Line 14. (If Line 14 is blank, enter the amount from Line 13.)
This is your required annual payment. (See caution below) 15. _____

CAUTION: Generally, if you do not prepay (through timely estimates or withholding, or both) the lesser of 100% of the income tax shown on your 2000 Connecticut income tax return, or 90% of the income tax shown on your 2001 Connecticut income tax return, you may owe interest. To avoid interest charges, make sure your estimate is as accurate as possible. You may prefer to pay 100% of the income tax shown on your 2000 Connecticut income tax return.

16. Connecticut income tax withheld or expected to be withheld in 2001 16. _____
 If Line 12 minus Line 16 is **\$500** or less, no estimated payment is required.
17. Subtract Line 16 from Line 15. If the result is zero or less, no estimated payment is required 17. _____
18. Installment percentage 18. **.25**
19. Multiply Line 17 by Line 18. Pay this amount for each installment 19. _____

INSTRUCTIONS FOR COMPLETING WORKSHEET

Line 2: Enter the total of your estimated allowable Connecticut fiduciary adjustments. (See instructions for **Form CT-1041, Schedule A, Connecticut Fiduciary Adjustments**, for information about allowable adjustments.)

Line 3: Nonresident trusts and estates, and part-year resident trusts without any nonresident noncontingent beneficiaries: If your Connecticut source income is greater than your Connecticut taxable income, enter your Connecticut source income on this line.

RESIDENT OR PART-YEAR RESIDENT INTER VIVOS TRUSTS WITH NONRESIDENT NONCONTINGENT BENEFICIARIES:

$$\text{CT taxable income} = \text{CT source income} + \left(\frac{\text{Non-Connecticut source income during total period of Connecticut residency}}{\text{Total noncontingent beneficiaries}} \times \frac{\text{Resident noncontingent beneficiaries}}{\text{Total noncontingent beneficiaries}} \right)$$

Line 5: Nonresident trusts and estates, and part-year resident trusts without any nonresident noncontingent beneficiaries: If your Connecticut source income is **less than** your Connecticut adjusted gross income, complete the following calculation and enter the result on Line 5.

$$\frac{\text{Connecticut Source Income}}{\text{Connecticut Taxable Income (Line 3)}} = \text{Line 5}$$

Do not enter a number that is less than zero or greater than 1. If the result is less than zero, enter "0;" if greater than 1, enter 1.0000. Round to four decimal places.

Line 7: Resident Estates and Trusts, and part-year resident trusts only: Enter estimated allowable net credit for income taxes due and paid to other jurisdictions. Enter "0," if not applicable. (See **Form CT-1041, Credit for Income Taxes Paid to Qualifying Jurisdictions, Worksheet Instructions**.)

Line 9: If you expect to owe federal alternative minimum tax in 2001, you may also owe Connecticut alternative minimum tax. Enter your estimated Connecticut alternative minimum tax liability. (See instructions for **Form CT-1041, Schedule I, Connecticut Alternative Minimum Tax Return Computation of Trusts and Estates**.)

Line 11: Enter estimated allowable adjusted net Connecticut minimum tax credit. Enter "0" if you are not entitled to a credit, or if you entered an amount on Line 9. (See instructions for **Form CT-8801, Credit for Prior Year's Connecticut Minimum Tax for Individuals, Trusts and Estates**.)

Line 14: If your 2000 Connecticut income tax return covered a 12-month period, enter 100% of the income tax shown on your return (from **Form CT-1041**, Line 9). If you were a resident in 2000 and you did not file a 2000 Connecticut income tax return because you had no Connecticut income tax liability, enter "0." If you were a nonresident or part-year resident in 2000 with Connecticut source income and you did not file a 2000 Connecticut income tax return because you had no Connecticut income tax liability, enter "0." All other taxpayers must leave Line 14 blank.

CT-1041ES		ESTIMATED CONNECTICUT INCOME TAX PAYMENT FOR TRUSTS AND ESTATES		2001
Federal Employer Identification Number ▶		PAYMENT 4	FOR TAXABLE YEAR ENDING	
Name of Trust or Estate		DATE RECEIVED (FOR DEPARTMENT USE ONLY) ▶		
Name and Title of Fiduciary		1. Payment Amount ▶		
Address (Number and Street)		PO Box		
City or Town, State, and ZIP Code				

- See instructions for filing requirements.
- Print all information.
- Make check or money order payable to: **Commissioner of Revenue Services.**
- Write the Federal Employer Identification Number of the trust or estate and "2001 CT-1041ES" on the check or money order.

Send completed coupon and payment to:

**Department of Revenue Services
PO Box 2934
Hartford CT 06104-2934**



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CT-1041ES		ESTIMATED CONNECTICUT INCOME TAX PAYMENT FOR TRUSTS AND ESTATES		2001
Federal Employer Identification Number ▶		PAYMENT 3	FOR TAXABLE YEAR ENDING	
Name of Trust or Estate		DATE RECEIVED (FOR DEPARTMENT USE ONLY) ▶		
Name and Title of Fiduciary		1. Payment Amount ▶		
Address (Number and Street)		PO Box		
City or Town, State, and ZIP Code				

- See instructions for filing requirements.
- Print all information.
- Make check or money order payable to: **Commissioner of Revenue Services.**
- Write the Federal Employer Identification Number of the trust or estate and "2001 CT-1041ES" on the check or money order.

Send completed coupon and payment to:

**Department of Revenue Services
PO Box 2934
Hartford CT 06104-2934**



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CT-1041ES		ESTIMATED CONNECTICUT INCOME TAX PAYMENT FOR TRUSTS AND ESTATES		2001
Federal Employer Identification Number ▶		PAYMENT 2	FOR TAXABLE YEAR ENDING	
Name of Trust or Estate		DATE RECEIVED (FOR DEPARTMENT USE ONLY) ▶		
Name and Title of Fiduciary		1. Payment Amount ▶		
Address (Number and Street)		PO Box		
City or Town, State, and ZIP Code				

- See instructions for filing requirements.
- Print all information.
- Make check or money order payable to: **Commissioner of Revenue Services.**
- Write the Federal Employer Identification Number of the trust or estate and "2001 CT-1041ES" on the check or money order.

Send completed coupon and payment to:

**Department of Revenue Services
PO Box 2934
Hartford CT 06104-2934**

CONNECTICUT TAX ASSISTANCE

FOR TAX INFORMATION

- Visit the DRS Web site at:
www.drs.state.ct.us
- Call **CONN-TAX**:
1-800-382-9463 (toll-free from within Connecticut) or
860-297-5962 (from anywhere)

TTY, TDD, and Text Telephone users only may transmit inquiries 24 hours a day, seven days a week by calling 860-297-4911.

Personal taxpayer assistance is available during business hours listed at right. Extended hours are offered January through April. Call Conn-Tax or visit our Web site for details.

- Write to:
**Department of Revenue Services
Taxpayer Services Division
25 Sigourney Street
Hartford CT 06106-5032**

FORMS AND PUBLICATIONS

May be obtained 24 hours a day, seven days a week by using any of the following resources:

- **Internet**
Preview and download forms and publications from the DRS Web site at: www.drs.state.ct.us
- **DRS TaxFax**
Call **860-297-5698** from the handset attached to your fax machine and select from the menu; or
- **Telephone**
From a touch-tone phone call:
1-800-382-9463 (toll-free from within Connecticut) and select **Option 2**, or
860-297-4753 (from anywhere).

For questions about federal taxes, contact the Internal Revenue Service (IRS) at 1-800-829-1040.
To order federal tax forms, call 1-800-829-3676.

DEPARTMENT OF REVENUE SERVICES MISSION STATEMENT

The Mission of the Connecticut Department of Revenue Services is to administer the tax laws of the State of Connecticut and collect the tax revenues in the most cost effective manner; achieve the highest level of voluntary compliance through accurate, efficient, and courteous customer services; and perform in a manner which instills public confidence in the integrity, and fairness of the state's tax programs.

WALK-IN OFFICES

For free assistance or forms, visit our offices from Monday through Friday 8:00 a.m. to 5:00 p.m. For pre-recorded directions to DRS offices call CONN-TAX. If you require special accommodations, please advise the DRS representative.

BRIDGEPORT

**10 Middle Street
203-579-6251**

HAMDEN

**3074 Whitney Avenue, Bldg. #2
203-287-8243**

HARTFORD

**25 Sigourney Street
860-297-5962**

NORWICH

**2 Cliff Street
860-889-2669**

WATERBURY

**Rowland State Government Center
55 West Main Street, Suite 100
203-805-6789**

STATEWIDE SERVICES

For information on statewide services and programs, visit the ConneCT Web site at www.state.ct.us

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