

Series: 2000-2001

Circular Letter: C - 17

To: Superintendents of Schools
From: Theodore S. Sergi, Commissioner of Education
Date: March 1, 2001
Subject: Computer Donations by Business Firms

As you may know, Section 20 of Public Act 00-170 allows certain business firms to get tax credits against taxes owed if they donate new or used computers to local or regional boards of education or public schools. The computers must be new or not more than two years old at the time of the donation. They must be in good working condition and the business firm donating them must install, set up and provide training on them to school staff.

In order to be eligible for the tax credit, the business firm must apply to the Commissioner of Revenue Services. The application requires information concerning the number of computers to be donated, to whom and when the donation will be made, the fair market value of the donated computers at the time of donation, and any other information the Commissioner may prescribe. A written agreement between the business firm and the local or regional board of education or public school must also be submitted. The agreement must provide for the acceptance of the computers by the board of education or public school, an acknowledgement that they are in good working condition and a requirement that the business firm install, set up and provide training for school staff on them.

Enclosed is an application form that business firms must use to apply for the tax credit. Also enclosed is a sample computer donation agreement. Please note that if computers are donated to an individual school within a district, including a magnet school, the local or regional board of education of that district must accept them on behalf of that school. Other public schools to which computers may be donated may include, but not be limited to, vocational-technical schools, charter schools, schools operated by RESCs, and endowed or incorporated academies approved by the State Board of Education pursuant to Section 10-34 of the General Statutes. Acceptance of computers by these public schools must be by their governing boards.

We are advised by representatives of the Department of Revenue Services that the tax credit is available to business firms which have obligations for the following taxes: insurance companies, hospital and medical services corporation taxes (insurance premium tax); health care centers tax; corporation business tax; air carrier tax; railroad companies tax; express telegraph or cable and community antenna television system companies tax or cable company gross earnings tax; and utility companies tax.

If you or a company wishing to donate computers to you have any questions concerning this tax credit, or need additional forms, please contact Kristen Reynolds at the Department of Revenue Services, at (860) 297-5689.

TSS:kfd
Enclosures

SAMPLE
(place on letterhead)

COMPUTER DONATION AGREEMENT

Pursuant to P.A. 00-170,

_____ hereby agrees to donate
Name of business firm

and

_____ hereby agrees to accept:
Name of local, regional or state board of education/board of trustees

_____ new computers (provide description)

_____ used computers (provide description)
(must be not more than two years old at time of donation to be eligible for tax credit)

to be installed at _____
Name of recipient public school

Further,
_____ hereby agrees to install,
Name of business firm

set up and provide training to the school staff on such computers on or before _____.
Date

Details (Optional):

The authorized signatures below indicate acceptance of this agreement by the business firm and applicable local or regional board of education or governing body of other public schools and acknowledgement by both parties that said computers are in good working condition.

Signature of Authorized Business Representative

Name and Title of Authorized Representative Date

Signature of Authorized Educational Agency Representative

Name and Title of Authorized Representative Date

FORM CT-CDC

(New 12/00)

Computer Donation Credit Application

Purpose

Complete **Form CT-CDC**, *Computer Donation Credit Application*, to apply for the Computer Donation Credit available under 2000 Conn. Pub. Acts 170, §20. A business tax credit is available to be applied against any tax due under the provisions of Chapter 207, 208, 209, 210, 211, or 212 of the Connecticut General Statutes, for the donation of new or used computers, not more than two years old at the time of donation, to a local or regional board of education or a public school. The amount of the credit shall not exceed 50% (.50) of the fair market value of the new or used computers at the time of donation. The amount of the credit granted to any business firm cannot exceed \$75,000 annually. A completed **Form CT-CDC** must be submitted to the Department of Revenue Services (DRS), 25 Sigourney Street, Hartford CT 06106, Attention: Research Unit. A faxed **Form CT-CDC** will **not** be accepted.

To qualify for the credit, the following must be attached to this form:

- Documentation of the fair market value of the donated equipment;
- A copy of the written agreement between the business firm and the board of education or public school accepting the computers, acknowledging that the computers are in good working condition, and requiring the business firm to install, set up, and provide training to the school staff on such equipment; and
- A detailed schedule that includes **all** of the following information: the date of the donation; the age of all equipment donated; the quantity of equipment donated; and the original cost of the equipment donated.

The total amount of tax credit allowed to all business firms is limited to \$1 million in any one fiscal year. DRS will provide written approval or disapproval of the credit within 30 days of receipt of this application. A copy of the approval letter must be attached to the business firm's tax return in order to claim the credit.

For further information, see **Special Notice 2000(15)**, *Corporation Business Tax Credits 1999 - 2000 Update*, or contact DRS Taxpayer Services Division at 1-800-382-9463 (toll-free within Connecticut) or 860-297-5962 (from anywhere).

Part I Business Firm Information	
Name of Business Firm	Telephone Number ()
Address	
Federal Employer ID Number	Connecticut Tax Registration Number
Name and Title of Contact Person	
Signature of Authorized Business Firm Representative	Name and Title of Authorized Business Firm Representative
Part II Recipient Information	
Name of Board of Education or Public School	Telephone Number ()
Address	
Name and Title of Contact Person	

Part III Equipment Information

Brief Description of Equipment

Original Equipment Cost

Fair Market Value

Part IV Training Information

Brief Description of Training to be Provided to School Staff (include dates)