

FORM CT-1120A-IRIC

Instructions

PURPOSE OF FORM

Use **Form CT-1120A-IRIC**, *Corporation Business Tax Return Apportionment Computation of Income From Services to Regulated Investment Companies*, to apportion net income from services to or on behalf of regulated investment companies.

Complete a separate **Form CT-1120A-IRIC**, *Schedule R-IRIC*, for each regulated investment company from which gross receipts are received from services to or on behalf of regulated investment companies.

According to Conn. Gen. Stat. §12-218b(k), a corporation must apportion income from services to regulated investment companies separately using **Form CT-1120A-IRIC**. See Conn. Gen. Stat. §12-218(f). If the corporation qualifies as a financial service company, all other income will be apportioned using **Form CT-1120A-FS**, *Corporation Business Tax Return Apportionment Computation of Income From Financial Service Companies Activities* (see Conn. Gen. Stat. §12-218b). If the company does not qualify as a financial service company, all other income must be apportioned in accordance with the appropriate schedule.

SCHEDULE R-IRIC CONNECTICUT RECEIPTS

Complete this schedule to calculate Connecticut receipts received from services provided to or on behalf of a regulated investment company. If there are such receipts from more than one regulated investment company, a separate **Form CT-1120A-IRIC**, *Schedule R-IRIC*, must be completed to arrive at the total Connecticut receipts from services provided to or on behalf of all regulated investment companies. The federal taxable year of the regulated investment company must end within or at the same time as the federal taxable year of the taxpayer.

SCHEDULE A-1 COMPUTATION OF CONNECTICUT APPORTIONMENT FRACTION

Enter the combined total of Connecticut receipts from all **Forms CT-1120A-IRIC**, *Schedule R-IRIC*, Line 9, on **Form CT-1120A-IRIC**, *Schedule A-1*, Line 10. Enter the combined total from all **Forms CT-1120A-IRIC**, *Schedule R-IRIC*, Line 1, on **Form CT-1120A-IRIC**, *Schedule A-1*, Line 11. Divide Line 10 by Line 11, and enter the resulting apportionment fraction on *Schedule A-1*, Line 12.

Enter the Connecticut apportionment fraction from Line 12 on **Form CT-1120**, *Corporation Business Tax Return*, *Schedule A*, Line 2, only if the entire net income is attributable to services provided to or on behalf of regulated investment companies. If the corporation's net income is derived in part from sources other than services to or on behalf of a regulated investment company, complete *Schedule A-1* and *Schedule A-2*.

SCHEDULE A-2 COMPUTATION OF CONNECTICUT NET INCOME

Complete this schedule only if income is derived in part from sources other than management, distribution, or administrative services to or on behalf of regulated investment companies.

DEFINITIONS

Regulated Investment Company means a regulated investment company as defined in I.R.C. §851.

Receipts means receipts computed according to the method of accounting used by the taxpayer in the computation of net income from providing the following services:

Management Services

Management services include, but are not limited to, the rendering of investment advice directly or indirectly to a regulated investment company, making determinations as to when sales and purchases of securities are to be made on behalf of the regulated investment company, or the selling or purchasing of securities constituting assets of a regulated investment company, and related activities, but only where such activity or activities are performed (i) according to a contract with the regulated investment company entered into under 15 USC §80a-15(a), as from time to time amended, (ii) for a person that has entered into such contract with the regulated investment company, or (iii) for a person that is affiliated with a person that has entered into such contract with a regulated investment company.

Distribution Services

Distribution services include, but are not limited to, the services of advertising, servicing, marketing, or selling shares of a regulated investment company, but, in the case of advertising, servicing or marketing shares, only where such service is performed by a person that is, or, in the case of a closed-end company, was, either engaged in the service of selling such shares or affiliated with a person that is engaged in the service of selling such shares. In the case of an open-end company, such service of selling shares shall be performed according to a contract entered into under 15 USC §80a-15(b), as from time to time amended.

Administrative Services

Administrative services include, but are not limited to, clerical, fund, or shareholder accounting, participant record keeping, transfer agency, bookkeeping, data processing, custodial, internal auditing, legal, and tax services performed for a regulated investment company, but only if the provider of such service or services during the income year in which such service or services are provided also provides, or is affiliated with a person that provides, management or distribution services to such regulated investment company.

Affiliates

A person is affiliated with another person if each person is a member of the same affiliated group, as defined under I.R.C. §1504, or any subsequent corresponding Internal Revenue Code of the United States, as from time to time amended.

Domicile of a Shareholder

A **shareholder's domicile** is presumed to be the shareholder's mailing address as shown in the records of the regulated investment company. If the shareholder of record is an insurance company that holds the shares of the related investment company as depositor for the benefit of a separate account, then the corporation may elect to treat as the shareholders, the contract owners, or policyholders of the contracts or policies supported by such separate account. If this election is made, the domicile shall be presumed to be the mailing address of the contract owner or policyholder as shown in the records of the insurance company.