

**Form AU-330I**  
**Instructions for the Controlling Interest Transfer Taxes**

**General Information**

Complete the return in blue or black ink only.

For more information, including definitions of some of the terms used in these instructions, see **Special Notice 2003(11)**, *2003 Legislative Changes Affecting the Controlling Interest Transfer Taxes*.

**What is Taxable**

Conn. Gen. Stat. §12-638b imposes a tax on the transfer of a controlling interest in a corporation, partnership, limited liability company, trust, or other organization where the entity owns, directly or indirectly, an interest in Connecticut real property with a value not less than \$2,000. Conn. Gen. Stat. §12-638l imposes an additional tax on the transfer of a controlling interest in an entity, where the entity directly owns an interest in Connecticut real property classified as farm land under Conn. Gen. Stat. §12-107c; forest land under Conn. Gen. Stat. §12-107d; or open space land under Conn. Gen. Stat. §12-107e.

**Who Must File a Return**

The person subject to the tax or taxes is the person (or group of persons acting in concert) transferring a controlling interest in an entity. Where a group of persons acting in concert transfers a controlling interest, the transferors will be jointly and severally liable for the tax or taxes.

**What is a Controlling Interest**

In an entity that is a corporation a controlling interest is more than 50% (.50) of the total combined voting power of all classes of stock in the corporation.

In an entity that is a partnership, limited liability company, trust or other organization, a controlling interest is more than 50% (.50) of the capital, profits, or beneficial interest in the entity.

A transfer of a controlling interest in an entity may be made all at once or in a series of transfers. Where transfers would constitute a transfer of a controlling interest had they occurred all at one time, they will be treated as a transfer of a controlling interest.

**What are the Rates of Tax**

The rate of the controlling interest transfer tax is 1.11% (.0111). The rate of the additional controlling interest transfer tax ranges from 1% (.01) to 10% (.10), depending, in the case of farm land or forest land, on the length of time an interest has been owned, or, in the case of open space land, on the length of time an interest has been classified as such, prior to the transfer of a controlling interest in the entity that directly owns the real property.

**What is the Measure of the Taxes**

The measure of the taxes is the present true and actual value of the Connecticut real property owned, directly or indirectly, by an entity in which a controlling interest was transferred. The present true and actual value is the fair market value, as of the time of transfer of a controlling interest, unreduced by the amount of any mortgage, lien, or other encumbrance. The present true and actual value of Connecticut real property directly owned by the entity is 100% of the property's present true and actual value. The present true and actual value of Connecticut real property indirectly owned by the entity is the entity's applicable ownership percentage of the corporate or noncorporate organization that directly owns the real property multiplied by the property's present true and actual value. For more information on how to determine the applicable ownership percentage, see **SN 2003(11)**.

**When to File**

The tax return is due on or before the last day of the month following the month in which a controlling interest was transferred. Where a transfer of a controlling interest is made in a series of transfers, the tax return is due on or before the last day of the month following the month in which the interest transferred, in the aggregate, first exceeds 50% (.50).

**Interest and Penalties for Late Payment**

Interest for late payment is 1% (.01) per month or fraction of a month from the due date. Penalty for late payment is 10% (.10) of the tax due or \$50, whichever is greater.

**Remittance**

**Make check payable to:** Commissioner of Revenue Services.

**Mail check to:** Department of Revenue Services, PO Box 5031, Hartford CT 06102-5031.

DRS may submit your check to your bank electronically.

**Exemptions**

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

- To the extent the entity possesses, directly or indirectly, an interest in real property located in an enterprise zone.
- Where the transfer effectuates a mere change of identity, or form of ownership, or organization, where there is no change in beneficial ownership.

**Specific Instructions**

**Parts I and II**

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

Line 2: If the transferor or transferee is an individual, enter his or her Social Security Number. If the transferor or transferee is not an individual, enter the Federal Employer Identification Number (FEIN).

**Part III**

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

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

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

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

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

**Part V**

**Location of Real Property:** List all Connecticut real property (including farm land, forest land, and open space land) owned directly by the entity in which a controlling interest was transferred.

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

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

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

**Part VI**

**Location of Real Property:** List all Connecticut real property (including farm land, forest land, and open space land) owned indirectly by the entity in which a controlling interest was transferred.

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

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

**Part VII**

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

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

**Rate of Tax:** See Table B below for the rate of tax.

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

**Part VIII**

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

**Table A — Town Codes**

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

**Table B — Rate of Tax**  
Farm Land, Forest Land, and Open Space Land

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

Use **Date Acquired** for Farm Land and Forest Land.

Use **Date Classified** for Open Space Land

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

**Tax Rate is:**

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