

# Form CT-1120K Business Tax Credit Summary

# 2011

Complete this form in blue or black ink only. See instructions before completing.

Corporation name	Connecticut Tax Registration Number
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## Part I - Tax Credits From 2011 Income Year

Part I-A Financial Institutions Tax Credit		A Credit Amount Claimed	B Amount Applied to Corporation Tax	C Amount Applied to Other Taxes	D Carryback Amount
1	Financial Institutions	00 ▶	00		

Part I-B Tax Credits With Carryback Provisions		A Credit Amount Claimed	B Amount Applied to Corporation Tax	C Amount Applied to Other Taxes	D Carryback Amount
2	Neighborhood Assistance: See instructions.	00 ▶	00	00 ▶	00
3	Housing Program Contribution: See instructions.	00 ▶	00	00 ▶	00
4	<b>Total Part I-B:</b> Add Line 2 and Line 3 in Columns A through D.	00 ▶	00	00 ▶	00

Part I-C Tax Credits Without Carryback or Carryforward Provisions		A Credit Amount Claimed	B Amount Applied to Corporation Tax	C Amount Applied to Other Taxes	D Carryback or Carryforward Amount
5	Apprenticeship Training	00 ▶	00		
6	Manufacturing Facility Tax Credit for Facilities Located in a Targeted Investment Community/Enterprise Zone - <b>Form CT-1120 TIC/EZ</b>	00 ▶	00		
7	Computer Donation	00 ▶	00	00	
8	Grants to Institutions of Higher Education - <b>Form CT-1120GC</b>	00 ▶	00		
9	Machinery and Equipment - <b>Form CT-1120 MEC</b>	00 ▶	00		
10	Qualified Small Business Job Creation - <b>Form CT-1120 SBJ</b>	00 ▶	00	00	
11	Displaced Worker or Displaced Electrical Worker - <b>Form CT-1120 DWC</b>	00 ▶	00	00	
12	Service Facility - <b>Form CT-1120SF</b>	00 ▶	00		
13	New Jobs Creation - <b>Form CT-1120 NJC</b>	00 ▶	00	00	
14	Vocational Rehabilitation Job Creation - <b>Form CT-1120 VRJ</b>	00 ▶	00	00	
15	Film Production - <b>Form CT-1120FP</b>	00 ▶	00	00	
16	Digital Animation - <b>Form CT-1120DA</b>	00 ▶	00	00	
17	Film Production Infrastructure - <b>Form CT-1120FPI</b>	00 ▶	00	00	
18	<b>Total Part I-C:</b> Add Lines 5 through 17 in Columns A through C.	00 ▶	00	00	

**Part I-D**  
**Tax Credits With Carryforward**  
**Provisions**

**A**  
 Carryforward Amount From  
 Previous Income Years

**B**  
 2011 Credit  
 Amount Claimed

**C**  
 Amount Applied to  
 Corporation Tax

**D**  
 Amount Applied to Other  
 Taxes or Exchanged

**E**  
 Carryforward  
 Amount to 2012

19	Housing Program Contribution See instructions. <b>Form CT-1120 HPC</b>	00			00 ▶	00 ▶	00 ▶	00
20	Hiring Incentive - <b>Form CT-1120 HIC</b>	00	00 ▶	00 ▶	00 ▶			00 ▶
21	<i>Reserved for future use</i>							
22	Research and Experimental Expenditures <b>Form CT-1120RC</b> : Enter amount exchanged in Column D.	00	00 ▶	00 ▶	00 ▶	00 ▶	00 ▶	00 ▶
23	Research and Development <b>Form CT-1120 RDC</b> : Enter amount exchanged in Column D.	00	00 ▶	00 ▶	00 ▶	00 ▶	00 ▶	00 ▶
24	Fixed Capital Investment <b>Form CT-1120 FCIC</b>	00	00 ▶	00 ▶	00 ▶			00 ▶
25	Human Capital Investment <b>Form CT-1120 HCIC</b>	00	00 ▶	00 ▶	00 ▶			00 ▶
26	Insurance Reinvestment Fund <b>Form CT-IRF</b>	00	00 ▶	00 ▶	00 ▶	00 ▶	00 ▶	00 ▶
27	Small Business Administration Guaranty Fee - <b>Form CT-1120 SBA</b>	00	00 ▶	00 ▶	00 ▶			00 ▶
28	Historic Homes Rehabilitation <b>Form CT-1120HH</b>	00	00 ▶	00 ▶	00 ▶	00 ▶	00 ▶	00 ▶
29	Donation of Land - <b>Form CT-1120DL</b>	00	00 ▶	00 ▶	00 ▶			00 ▶
30	Historic Structures Rehabilitation <b>Form CT-1120HS</b>	00	00 ▶	00 ▶	00 ▶	00 ▶	00 ▶	00 ▶
31	Historic Preservation - <b>Form CT-1120HP</b>	00	00 ▶	00 ▶	00 ▶	00 ▶	00 ▶	00 ▶
32	Urban and Industrial Site Reinvestment <b>Form CT-UISR</b>	00	00 ▶	00 ▶	00 ▶	00 ▶	00 ▶	00 ▶
33	<i>Reserved for future use</i>							
34	<i>Reserved for future use</i>							
35	<b>Total Part I-D</b> : Add Lines 19 through 32 in Columns A through E. <b>Do not include</b> <b>amounts on Line 22 and Line 23 in</b> <b>Column D.</b>	00	00 ▶	00 ▶	00 ▶	00 ▶	00 ▶	00 ▶

**Part I-E**

Electronic Data Processing  
Equipment Property Tax Credit

	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>
	Carryforward Amount From Previous Income Years	2011 Credit Amount Claimed	Amount Applied to Corporation Tax	Amount Applied to Other Taxes	Carryforward Amount to 2012

36	Electronic Data Processing Equipment Property - Form CT-1120 EDPC	00	00 ▶	00 ▶	00 ▶	00
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**Part II - Tax Credits Applied to the Corporation Business Tax**  
Combined return filers – Do not complete Part II.

1	Tax Credit Limitation: Enter amount from Form CT-1120, Schedule C, Line 4.				00
2	<b>Financial Institutions Credit:</b> Enter amount from Part I-A, Line 1, Column B. Do not exceed amount on Line 1.				00
3	Creditable corporation business tax balance: Subtract Line 2 from Line 1.				00
4	<b>Tax Credits With Carryback Provisions:</b> Enter amount from Part I-B, Line 4, Column B. Do not exceed amount on Line 3.				00
5	Creditable corporation business tax balance: Subtract Line 4 from Line 3.				00
6	<b>Tax Credits Without Carryback or Carryforward Provisions:</b> Enter amount from Part I-C, Line 18, Column B. Do not exceed amount on Line 5.				00
7	Creditable corporation business tax balance: Subtract Line 6 from Line 5.				00
8	<b>Tax Credits With Carryforward Provisions:</b> Enter amount from Part I-D, Line 35, Column C. Tax credit carryforwards that expire first should be claimed before other tax credit carryforwards that either expire later or do not expire. Do not exceed amount on Line 7.				00
9	Creditable corporation business tax balance: Subtract Line 8 from Line 7.				00
10	<b>Electronic Data Processing Equipment Property Tax Credit:</b> Enter amount from Part I-E, Line 36, Column C. Tax credit carryforwards that expire first should be claimed before other tax credit carryforwards that either expire later or do not expire. Do not exceed amount on Line 9.				00
11	<b>Total Corporation Business Tax Credits Applied:</b> Add Part II, Lines 2, 4, 6, 8, and 10. Enter here and on Form CT-1120, Schedule C, Line 5. Do not exceed amount on Line 1.			▶	00

**Part III - Tax Credits Applied to Taxes Other Than the Corporation Business Tax**

Name of tax: \_\_\_\_\_ Duplicate Part III as necessary.

1	Tax: Enter the creditable tax amount from the appropriate tax form. Taxpayers filing Form CT-207, Form CT-207F, or Form CT-207HCC must complete Form CT-207K to claim tax credits.				00
2	<b>Tax Credits With Carryback Provisions:</b> Enter amount from Part I-B, Line 4, Column C. Do not exceed amount on Line 1.				00
3	Tax balance: Subtract Line 2 from Line 1.				00
4	<b>Tax Credits Without Carryback or Carryforward Provisions:</b> Enter amount from Part I-C, Line 18, Column C. Do not exceed the amount on Line 3.				00
5	Tax balance: Subtract Line 4 from Line 3.				00
6	<b>Tax Credits With Carryforward Provisions:</b> Enter amount from Part I-D, Line 35, Column D. Do not exceed amount on Line 5.				00
7	Tax balance: Subtract Line 6 from Line 5.				00
8	<b>Electronic Data Processing Equipment Property Tax Credit:</b> Enter amount from Part I-E, Line 36, Column D. Do not exceed amount on Line 7.				00
9	<b>Total Tax Credits Applied to Taxes Other Than the Corporation Business Tax:</b> Add Part III, Lines 2, 4, 6, and 8. Enter here and on the appropriate tax return. Do not exceed amount on Line 1.			▶	00

## Form CT-1120K Instructions

Complete this form in blue or black ink only.

**Form CT-1120K**, *Business Tax Credit Summary*, must be attached to **Form CT-1120**, *Corporation Business Tax Return*, or the applicable tax form whenever tax credits from the current income year are being claimed or carryforward tax credit balances exist from a prior year.

Taxpayers subject to the domestic and foreign insurance premiums tax and the health care centers tax must complete **Form CT-207K**, *Insurance / Health Care Tax Credit Schedule*, and attach it to **Form CT-207**, *Insurance Premiums Tax Return Domestic Companies*; **Form CT-207F**, *Insurance Premiums Tax Return Nonresident and Foreign Companies*; or **Form CT-207HCC**, *Health Care Center Tax Return*.

Taxpayers subject to the personal income tax must complete **Form CT-IT**, *Income Tax Credit Summary*, and attach it to **Form CT-1040**, *Connecticut Resident Income Tax Return*; **Form CT-1040NR/PY**, *Connecticut Nonresident or Part-Year Resident Income Tax Return*; **Form CT-1040X**, *Amended Connecticut Income Tax Return for Individuals*; or **Form CT-1041**, *Connecticut Income Tax Return for Trusts and Estates*.

Additional information about Connecticut tax credits is available in **Informational Publication 2010(13)**, *Guide to Connecticut Business Tax Credits*.

Corporation business tax credits must be applied in a specific order, where a corporation is eligible to claim more than one tax credit. In no event, however, shall any tax credit be claimed more than once. The order is as follows:

1. The Financial Institutions tax credit must be applied before any other tax credit.
2. Any tax credit that may be carried back to a preceding income year must be applied after the Financial Institutions tax credit, but before any other tax credit. Any tax credit carryback that will expire first must be claimed before any tax credit carryback that will expire later. If the tax credit carrybacks will

expire at the same time, tax credits must be taken in the order in which the corporation may receive the maximum benefit.

3. Any tax credit that may not be carried back to a preceding income year and that may not be carried forward to a succeeding income year must be claimed next, in the order in which the corporation may receive the maximum benefit.
4. Any tax credit that may be carried forward to a succeeding income year must be claimed next. Any tax credit carryforward that will expire first must be claimed before any tax credit carryforward that will expire later. If the tax credit carryforwards will expire at the same time, tax credits must be taken in the order in which the corporation may receive the maximum benefit.
5. The Electronic Data Processing Equipment Property tax credit must be applied last, after all other tax credits have been applied.

**Limits on Credits:** The amount of tax credits otherwise allowable against the corporation business tax for any income year shall not exceed 70% of the amount of tax due prior to the application of the tax credit. However, for the 2011 income year, tax credits can exceed the 70% limitation if the taxpayer has an average monthly net employment gain of greater than zero, as calculated on Form CT-1120 TCE.

No tax credit can be applied against the minimum tax of \$250.

Form CT-1120K must be attached to the tax returns covered under the following Connecticut General Statutes chapters, when tax credits from the current income year are being claimed or when carryforward tax credit balances exist from the prior year:

- Corporation business tax under Chapter 208;
- Unrelated business income tax under Chapter 208a;
- Air carrier tax under Chapter 209;
- Railroad companies tax under Chapter 210;

- Community antenna television system companies tax under Chapter 211;
- Utility companies tax under Chapter 212; **and**
- Public service companies tax under Chapter 212a.

If the taxpayer is claiming a tax credit against more than one tax type, a duplicate Form CT-1120K and applicable tax credit forms must be attached to each tax return for which a tax credit is being claimed.

Any tax credit balance that remains after applying the tax credits to the current year tax may be carried forward or carried back as provided in the Connecticut General Statutes, if the tax credit has not expired.

### Part I-A — Financial Institutions Tax Credit

**Line 1** - Enter in Column A the tax credit earned in 2011. Enter in Column B the amount actually applied to the corporation business tax. The total amount applied in Column B cannot exceed the amount in Part II, Line 1.

### Part I-B — Tax Credits With Carryback Provisions

Enter in Column A all of the tax credits earned in 2011 that have a carryback provision. The tax credits indicated here are applied to the current year tax first. Any remaining balance may be claimed against a preceding year tax by filing **Form CT-1120X**, *Amended Corporation Business Tax Return*, or the appropriate amended tax return. If carrying forward a housing program contribution tax credit, also complete Part I-D.

Enter in Column B the amount actually applied to the corporation business tax. The total of Column B cannot exceed the amount in Part II, Line 3.

Enter in Column C the amount applied to taxes other than the corporation business tax. The total of Column C cannot exceed the amount in Part III, Line 1.

Enter in Column D the amount of tax credit carried back to prior years.

**Line 2** - Enter the Neighborhood Assistance Act (NAA) tax credit. Any remaining balance may be carried back to the two immediately preceding income years.

**Line 3** - Enter the Housing Program Contribution tax credit computed on **Form CT-1120 HPC**, *Housing Program Contribution Tax Credit*. Any remaining balance may be carried back to the five immediately preceding income years. If claiming a tax credit carryforward, also complete Part I-D, Line 19. See Part I-D, Line 19 instructions.

### **Part I-C — Tax Credits Without Carryback or Carryforward Provisions**

Enter in Column A the credit amounts claimed in the current income year.

Enter in Column B the amount actually applied to the corporation business tax. The total of Column B cannot exceed the amount in Part II, Line 5.

Enter in Column C the amount applied to taxes other than the corporation business tax. The total of Column C cannot exceed the amount in Part III, Line 3.

**Lines 5 through 17** - Enter the applicable tax credit amounts in the spaces provided on each line.

### **Part I-D — Tax Credits With Carryforward Provisions**

Part I-D enables a corporation to account for any tax credits with carryforward provisions. This section also identifies any amounts of Research and Development or Research and Experimental Expenditures tax credits exchanged with the state for a credit refund.

Enter in Column A the tax credit carryforward amount from previous income years. Enter in Column B the tax credit amount claimed for the current income year. Enter in Column C the tax credit amount applied to the corporation business tax for the current income year. Enter in Column D the tax credit amount applied to taxes other than the corporation business tax, if applicable, in the current income year or the amount of Research and Development or Research and Experimental Expenditures tax credits exchanged with the state for a tax credit refund. Enter in Column E the tax credit carryforward amount.

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**Line 19** - If claiming the Housing Program Contribution tax credit, Part I-B, Line 3, must be completed first. Enter the applicable tax credit amounts in the spaces provided.

**Line 20 through 32** - Enter the applicable tax credit amounts in the spaces provided on each line.

### **Part I-E — Electronic Data Processing Equipment Property Tax Credit**

Enter in Column A the amount of tax credit carried forward from previous income years. Enter in Column B the amount of tax credit claimed in the current income year. Enter in Column C the amount applied to the corporation business tax. The amount in Column C cannot exceed the amount in Part II, Line 9. Enter in Column D any amount applied to taxes other than the corporation business tax. Enter in Column E the tax credit carryforward amount.

The Electronic Data Processing Equipment Property tax credit may be applied only after all other tax credits have been applied and must be applied first to the corporation business tax and then to any other applicable taxes.

**Line 36** - Enter the applicable tax credit amount in the spaces provided.

### **Part II — Tax Credits Applied to the Corporation Business Tax**

If the corporation is filing a combined return, complete **Form CT-1120CR**, *Combined Corporation Business Tax Return, Schedule KC*, and do not complete this part.

This section enables a corporation to apply its tax credits in the order required by Conn. Gen. Stat. §12-217aa. This section also limits the amount of tax credits that may be applied to the corporation business tax.

### **Part III — Tax Credits Applied to Taxes Other Than Corporation Business Tax**

Some tax credits may be applied to taxes other than the corporation business tax. This section enables a corporation to account for any tax credits applied to the following other taxes:

- Unrelated business income tax under Chapter 208a;
- Air carrier tax under Chapter 209;
- Railroad companies tax under Chapter 210;
- Cable and community antenna television system companies tax under Chapter 211;
- Utility companies tax under Chapter 212;
- Public service companies tax under Chapter 212a; **and**
- Surplus lines brokers tax under Chapter 701d.

Enter the name of the tax to which the tax credit is being applied. If applying tax credits to more than one tax other than corporation business tax, duplicate Part III for each tax type and attach to Form CT-1120K.

If claiming a tax credit against more than one tax type, attach a duplicate Form CT-1120K and applicable tax credit forms.

Use **Form CT-207K**, *Insurance Credit Schedule*, to claim tax credits against the:

- Domestic and foreign insurance premiums tax under Chapter 207;
- Health care centers tax under Chapter 207; **and**
- Hospital and medical services tax under Chapter 207.

Use **Schedule CT-IT Credit**, *Income Tax Credit Summary*, to claim tax credits against the:

- Income tax under Chapter 229, not including the tax under Conn. Gen. Stat. §12-207.