



Connecticut Designated Taxable Member's
Connecticut Tax Registration Number

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PART I

Nexus Combined Total

	1. Form CT-1120, Schedule D, Line 1 (federal taxable income (loss) before net operating loss and special deductions)	1.	
	2. Interest income wholly exempt from federal tax	2.	
	3. State and local income taxes	3.	
	4. Interest expenses paid to a related member from Form CT-1120AB, Part I A, Line 1	4.	
A D D	5. Intangible expenses and costs paid to a related member from Form CT-1120AB, Part I B, Line 3	5.	
	6. Federal bonus depreciation: See instructions.	6.	
	7. Business interest expense carried forward under IRC § 163(j) and deducted for federal tax purposes in the current year. See instructions.	7.	
	8. 80% of IRC § 179 deduction. See instructions.	8.	
	9. Other: Attach explanation.	9.	
	10. Total: Add Lines 1 through 9.	10.	
	11a. Dividends from domestic companies less than 20% owned Limited to 70% deduction (less related expenses)	11a.	
	11b. Other dividends (less related expenses)	11b.	
	11c. Dividends from a captive REIT taxable in Connecticut	11c.	
	11d. Intercompany dividends from corporations included in this combined return	11d.	
D E D U C T I O N	12. Capital loss carryover (if not deducted in computing federal capital gain): Attach schedule.	12.	
	13. Capital gain from sale of preserved land	13.	
	14. Federal bonus depreciation recovery from Form CT-1120 ATT, Schedule J, Line 26	14.	
	15. Exceptions to interest add back from Form CT-1120AB, Part II A, Line 1	15.	
	16. Exceptions to interest add back from Form CT-1120AB, Part II A, Line 2	16.	
	17. Exceptions to interest add back from Form CT-1120AB, Part II A, Line 3	17.	
	18. Exceptions to add back of intangible expenses paid to a related member from Form CT-1120AB, Part II B, Line 1	18.	
	19. 25% of IRC § 179 deduction added back in the preceding four years.	19.	
	20. IRC § 163(j) business interest deduction disallowed for federal tax purposes. See instructions.	20.	
	21. Contributions from Connecticut or its municipalities included in Part I, Line 1 above	21.	
C O M P U T A T I O N O F N E T I N C O M B I N E D N E T I N C O M E	21a. Ordinary and necessary business expenses for taxpayers licensed under Chapter 420f or 420h that are not claimed for federal income tax purposes.	21a.	
	22. Other: Attach explanation.	22.	
	23. Total: Add Lines 11a through 22.	23.	
	24. Net income (loss): Subtract Line 23 from Line 10. If 100% Connecticut, enter also on Line 26.	24.	
	25. Apportionment fraction. See instructions. Carry to six places.	25.	
	26. Connecticut net income: Line 24, or Line 24 multiplied by Line 25.	26.	▶ .00
	27. Operating loss carryover from separate return year: Cannot exceed 50% of amount on Line 26. Attach schedule.	27.	▶ .00
	28. Net income: Subtract Line 27 from Line 26.	28.	▶ .00
	29. Nexus combined operating loss carryover. Cannot exceed 50% of the amount on Line 28, and the sum of Line 27 and Line 29 cannot exceed 50% of the amount on the Nexus Combined Total column, Line 26. Attach schedule.	29.	▶ .00
	30. Nexus combined income subject to tax: Subtract Line 29 from Line 28.	30.	▶ .00
PART II	31. Tax: Multiply Line 30 by 7.5% (.075). Enter here and on Form CT-1120CU-NCB, Part III, Line 1.	31.	▶ .00
C O M P U T A T I O N O F N E T I N C O M B I N E D M I N I M U M T A X B A S E	1. Form CT-1120, Schedule E, Line 6, Column C. If 100% Connecticut, enter also on Line 3. See instructions.	1.	
	2. Apportionment fraction. See instructions. Carry to six places.	2.	
	3. Line 1, or Line 1 multiplied by Line 2.	3.	
	4. Number of months covered by this return	4.	
	5. Line 3 multiplied by Line 4, divide by 12.	5.	
	6. Nexus combined minimum tax base: Add all amounts on Line 5.	6.	▶ .00
	7. Tax: Multiply Line 6 by 0.0031 (31/10 mills per dollar). Maximum \$1,000,000. Enter here and on Form CT-1120CU-NCB, Part III, Line 2.	7.	▶ .00



(A. = Enter corporation name)

	Column A Taxable Member #:	Column B Taxable Member #:	Column C Taxable Member #:	Column D Taxable Member #:	Column E Taxable Member #:
A.					
1.		.00	.00	.00	.00
2.		.00	.00	.00	.00
3.		.00	.00	.00	.00
4.		.00	.00	.00	.00
5.		.00	.00	.00	.00
6.		.00	.00	.00	.00
7.		.00	.00	.00	.00
8.		.00	.00	.00	.00
9.		.00	.00	.00	.00
10.		.00	.00	.00	.00
11a.		.00	.00	.00	.00
11b.		.00	.00	.00	.00
11c.		.00	.00	.00	.00
11d.		.00	.00	.00	.00
12.		.00	.00	.00	.00
13.		.00	.00	.00	.00
14.		.00	.00	.00	.00
15.		.00	.00	.00	.00
16.		.00	.00	.00	.00
17.		.00	.00	.00	.00
18.		.00	.00	.00	.00
19.		.00	.00	.00	.00
20.		.00	.00	.00	.00
21.		.00	.00	.00	.00
21a.		.00	.00	.00	.00
22.		.00	.00	.00	.00
23.		.00	.00	.00	.00
24.		.00	.00	.00	.00
25.
26.		.00	.00	.00	.00
27.		.00	.00	.00	.00
28.		.00	.00	.00	.00
29.					
30.					
31.					
1.		.00	.00	.00	.00
2.
3.		.00	.00	.00	.00
4.		.00	.00	.00	.00
5.		.00	.00	.00	.00
6.					
7.					



PART III – Aggregate Maximum Tax

1. Tax on nexus combined net income from Part I, Line 31, <i>Nexus Combined Total</i> column.	1.		.00
2. Tax on nexus combined minimum tax base from Part II, Line 7, <i>Nexus Combined Total</i> column.	2.		.00
3. Enter the larger of Line 1 or Line 2, <i>Nexus Combined Tax</i>	3.		.00
4. Maximum addition amount.	4.	2,500,000	.00
5. Aggregate Maximum Tax: Add Line 3 and Line 4. Enter here and on Form CT-1120CU , Part I, Line 4. ...	5.		.00

Allocation of Aggregate Maximum Tax

		Column A	Column B	Column C
	Taxable Member #:	Taxable Member #:	Taxable Member #:	
Corporation name:				
6. Enter in each column the tax reported for each taxable member on Form CT-1120CU-NI , Part III, Line 13.	6.		.00	.00
7. Enter the amount reported on Form CT-1120CU-NI, Part III, Line 14.	7.		.00	
8. Divide the amount in each column on Line 6 by Line 7.	8.	.	.	.
9. Allocation of aggregate maximum tax: Multiply the amount on Line 5 by the percentage reported on Line 8 in each column. Enter also in each corresponding column on Form CT-1120CU, Part I, Line 6c.	9.		.00	.00



(A. = Enter corporation name)

	Column D	Column E	Column F	Column G	Column H
	Taxable Member #:	Taxable Member #:	Taxable Member #:	Taxable Member #:	Taxable Member #:
A.					
6.		.00	.00	.00	.00
7.					
8.
9.		.00	.00	.00	.00

Form CT-1120CU-NCB Instructions

Do not complete this form if Form CT-1120CU, Part I, Line 3 is less than or equal to \$2,500,000.

Purpose

If the amount reported on Form CT-1120CU, Part I, Line 3 is greater than \$2,500,000, use Form CT-1120CU-NCB to calculate whether the combined group's tax liability is capped at an amount less than would otherwise be due on the standard combined unitary basis. If applicable, complete and attach Form CT-1120CU-NCB to Form CT-1120CU. See **Special Notice 2016(1)**, *Combined Unitary Legislation*.

Nexus Combined Base

A combined group's tax liability, prior to surtax and credits, cannot exceed the amount calculated on a nexus combined basis by more than \$2,500,000. This is referred to as the aggregate maximum tax. If the aggregate maximum tax (as calculated on this form) is less than the tax on the standard combined unitary basis (as reported on Form CT-1120CU, Part I, Line 3), the group is subject to the aggregate maximum tax. Otherwise, the group is subject to tax on the standard combined unitary basis.

If the combined group determines that the calculations on Form CT-1120CU-NCB do not affect the tax due, it is not required to file this form (even if Part I, Line 3 is greater than \$2,500,000). If the combined group later determines that the calculations do impact the tax due, it may file Form CT-1120CU-NCB with an amended return or provide Form CT-1120CU-NCB to DRS during the course of an audit examination.

See **Special Notice 2016(1)**, *Combined Unitary Legislation*.

Part I – Computation of Nexus Combined Net Income

Nexus combined net income is the sum of the apportioned separate net income or loss of each taxable member included in the combined unitary return. For nexus combined purposes, each taxable member calculates its apportioned net income as if it were filing a separate return, subject to certain adjustments specific to the nexus combined base.

Net Income Adjustments. Any intercompany intangible expenses and costs required to be added back pursuant to Conn. Gen. Stat. § 12-218c and the corresponding income attributable to such expenses are eliminated provided that both the payor and payee are both taxable members included in the combined unitary return. See Conn. Gen. Stat. § 12-218e(k)(2)(B). Enter the amount of expenses or income to be eliminated on Line 9 and Line 22, respectively. Intercorporate dividends from taxable members included in this combined unitary return are deducted. See Conn. Gen. Stat. § 12-218e(k)(2)(A).

Net Income Apportionment Calculation Adjustment. Do not include receipts from any other taxable member included in this combined unitary return in the computation of the receipts factor of the apportionment fraction.

Calculate each taxable member's apportioned net income on the consolidating schedules. Enter the sum of Lines 26 through 28 of each included corporation in the *Nexus Combined Total* column.

Line 1

Enter the corporation's federal taxable income (loss) before net operating loss and special deductions as filed on the taxable member's federal return.

Line 2

Enter all interest income exempt from federal taxation.

Line 3

Enter state and local income taxes deducted in the calculation of federal taxable income, including Connecticut Corporation Business Tax.

Line 4

Enter the amount of interest expenses paid to a related member as reported on Form CT-1120AB, Part I A, Line 1.

Line 5

Enter the amount of intangible expenses paid to a related member as reported on Form CT-1120AB, Part I B, Line 3.

Line 6

Enter the amount of the federal bonus depreciation allowed under IRC § 168(k) and claimed on federal Form 4562, Depreciation and Amortization.

Line 7

Enter the amount of business interest expense that was incurred in a prior year and that was carried forward and deducted in the current year for federal tax purposes pursuant to IRC § 163(j).

Line 8

Enter 80% of the IRC § 179 deduction claimed for federal tax purposes.

Line 9

Enter any other income amount. Attach an explanation. Include the amount of intercompany intangible expenses and costs that are eliminated pursuant to Conn. Gen. Stat. § 12-218e(k)(2)(B).

Line 11a

Enter the amount entered on Form CT-1120 ATT, *Schedule I*, Line 2.

Line 11b

Enter the amount entered on Form CT-1120 ATT, *Schedule I*, Line 3.

Line 11c

Enter the amount entered on Form CT-1120 ATT, *Schedule I*, Line 4.

Line 11d

Enter the amount of intercorporate dividends from taxable members included in this combined unitary return not otherwise deducted.

Line 12

Enter the amount of any available capital loss carryover not deducted in computing federal capital gain. This amount is limited to the amount of the capital gain reported on the federal return as described in Conn. Gen. Stat. § 12-217.

Line 13

Enter the value of any capital gain realized from the sale of any land, or interest in land, to the state, any political subdivision of the state, or to any nonprofit land conservation organization where such land is to be permanently preserved as protected open space or to a water company (as defined in Conn. Gen. Stat. § 25-32a), where such land is to be permanently preserved as protected open space land or as Class I or Class II water company land.

Line 14

Enter the federal bonus depreciation recovery amount from Form CT-1120 ATT, *Schedule J*, Line 26.

Line 15

Enter the amount of exceptions to interest add back as reported on Form CT-1120AB, Part II A, Line 1.

Line 16

Enter the amount of exceptions to interest add back as reported on Form CT-1120AB, Part II A, Line 2.

Line 17

Enter the amount of exceptions to interest add back as reported on Form CT-1120AB, Part II A, Line 3.

Line 18

Enter the amount of exceptions to the add back of intangible expenses paid to a related member as reported on Form CT-1120AB, Part II B, Line 1.

Line 19

Enter 25% of IRC § 179 deduction that was added back in calculating the Connecticut net income in the preceding four years.

Line 20

Enter the amount of business interest expense that was incurred in the current year but was not allowed to be deducted for federal tax purposes pursuant to IRC § 163(j).

Line 21

Enter the amount of any contributions made by the State of Connecticut or political subdivision thereof to the extent those contributions are included in federal taxable income.

Line 21a

For corporations that are licensed under Chapter 420f or 420h of the Connecticut General Statutes, enter the amount of ordinary and necessary business expenses allowed under IRC § 162 in determining the Connecticut corporation business tax liability.

Line 22

Enter any other income deduction. Attach an explanation.

- Enter the Foreign Derived Intangible Income (FDII) deduction claimed for federal purposes.
- Enter the amount of income received from a taxable member included in the combined unitary return attributable to intangible expenses and costs that is eliminated pursuant to Conn. Gen. Stat. § 12-218e(k)(2)(B).
- Enter the amount received from a related member attributable to intangible expenses and costs (that is not already eliminated on this line) or to interest expenses and costs, provided such income was:
 1. Included on Part I, Line 1 of this return;

2. Received from a related member who filed a Connecticut Corporation Business Tax return for the same income year (other than as a nontaxable member of a combined unitary return); **and**
3. Required to be added back by the related member under Conn. Gen. Stat. §§ 12-218c or 12-218d and was not entitled to an exception of the add back.

Line 24

Subtract Line 23 from Line 10. Enter the result here.

Line 25

Enter the apportionment fraction from Form CT-1120A, *Schedule Q*, or from the appropriate apportionment form. The fraction must be expressed as a decimal and carried to six places.

Line 26

Enter the amount from Line 24 multiplied by Line 25, or enter the amount from Line 24, if not entitled to apportion.

Line 27 and Line 29

For purposes of calculating the nexus combined tax, net operating losses (NOLs) incurred in a prior year by a taxable member or by a group that included a taxable member may be utilized to offset net income reported on this form. NOLs that may be utilized include NOLs reported on Form CT-1120, Form CT-1120CR, Form CT-1120U, or NOLs reported in the calculation of the nexus combined tax on Form CT-1120CU-NCB. NOLs reported in the calculation of the nexus combined base tax on Form CT-1120CU-NCB and NOLs reported on a Form CT-1120 or Form CT-1120CR may be utilized in a manner consistent with the rules prescribed by Conn. Agencies Regs. § 12-223a-2. NOLs reported on a Form CT-1120U may be utilized by any taxable member that filed as part of such return in the year of the loss.

NOL from a Form CT-1120. NOLs reported in a prior year on a Form CT-1120 may only be used to offset the income of the taxable member that generated the loss. Such NOLs should be reported on Line 27 and may not exceed 50% of each taxable member's separately calculated net income.

NOL from a Form CT-1120CR, Form CT-1120U or Form CT-1120CU-NCB. NOLs reported in a prior year on a Form CT-1120CR, Form CT-1120U or Form CT-1120CU-NCB that may be used to offset the income of more than one taxable member should be reported on Line 29.

The total amount of NOL applied on Line 27 and Line 29 cannot exceed 50% of net income reported on the *Nexus Combined Total* column, Line 26.

Part II – Computation of Nexus Combined Minimum Tax Base

The nexus combined minimum tax base is the sum of the separate minimum tax base of each taxable member included in the combined unitary return, but only to the extent the base is separately apportioned to Connecticut in accordance with the provisions of Conn. Gen. Stat. §§ 12-219a or 12-244.

If any income or expenses are eliminated in Part I, Line 22, the intangible property of the taxable member eliminating the income shall not be taken into account in apportioning the minimum tax base.

The maximum tax for the nexus combined minimum tax base is \$1,000,000.

Part III – Aggregate Maximum Tax

Line 1

Enter the amount from Part I, Line 31, *Nexus Combined Total* column.

Line 2

Enter the amount from Part II, Line 7, *Nexus Combined Total* column.

Line 3

Enter the greater of Line 1 or Line 2.

Line 5

Add \$2,500,000 to the amount reported on Line 3. This represents the combined group's aggregate maximum tax. Enter this amount here and on Form CT-1120CU, Part I, Line 4.

Allocation of Aggregate Maximum Tax

This section is used to allocate the aggregate maximum tax among the taxable members of the group.

Line 6

Enter in each column the tax reported for each taxable member on Form CT-1120CU-NI, Part III, Line 13.

Line 7

Enter the amount reported on Form CT-1120CU-NI, Part III, Line 14.

Line 8

Divide the amount in each column on Line 6 by the amount on Line 7.

Line 9

Multiply the amount on Line 5 in this Part by the percentage reported on Line 8 in each column. Also, enter these amounts in each corresponding column on Form CT-1120CU, Part I, Line 6c.