

**FORM CT-945 (DRS)**

**CONNECTICUT ANNUAL RECONCILIATION OF WITHHOLDING FOR NONPAYROLL AMOUNTS**

**Purpose:** The attached **Form CT-945 (DRS)**, *Connecticut Annual Reconciliation of Withholding For Nonpayroll Amounts*, may be used by new payers of nonpayroll amounts who have not received the *Withholding Remittance Coupon Book for Payers of Nonpayroll Amounts* for the 2004 calendar year.

**Rounding Off to Whole Numbers:** You must round off cents to the nearest whole dollar on your returns and schedules. Round down to the next lowest dollar all amounts that include .01 through .49 cents. Round up to the next highest dollar all amounts that include .50 through .99 cents. However, if you need to add two or more amounts to compute the amount to enter on a line, include cents and round off only the total.

**Example:** \$1.29 becomes \$1.00 and \$3.50 becomes \$4.00.

**Nonpayroll Amounts Subject to Connecticut Income Tax Withholding:** *Connecticut nonpayroll amounts* mean:

- **Gambling winnings**, other than Connecticut lottery winnings, if the payment is subject to federal income tax withholding, and the payment is made to a resident or to someone receiving the payment on behalf of a resident. (See **IP 2001(29)**, *Connecticut Income Tax Treatment of Gambling Winnings Other Than State Lottery Winnings*, for more information.);
- Connecticut lottery winnings, if reportable for federal income tax withholding purposes, whether or not federal income tax withholding is required. (See **IP 2003(21)**, *Connecticut Income Tax Treatment of State Lottery Winnings Received by Residents and Nonresidents of Connecticut*, for more information.);
- Pension and annuity distributions, if the recipient is a Connecticut resident and has requested Connecticut income tax withholding;
- Military retirement pay, if the recipient is a Connecticut resident and has requested Connecticut income tax withholding;
- Unemployment compensation, if the recipient has requested Connecticut income tax withholding; **and**

- Payments made to athletes or entertainers if the payments are not wages for federal income tax withholding purposes, but Connecticut income tax withholding is required under **Policy Statement 2003(5)**, *Income Tax Withholding for Athletes or Entertainers*.

All payers of nonpayroll amounts that are subject to Connecticut income tax withholding are required to file Form CT-945 as long as they have an active income tax withholding account with the Department of Revenue Services (DRS), **even if no tax is due**, or even if no tax was required to be withheld for that year, or even if federal Form 945 is not required to be filed. Semiweekly schedule depositors must complete and attach **Schedule CT-945-A**, *Annual Record of Withheld Connecticut Income Tax*, to Form CT-945.

**Note:** All income tax withholding reported on federal Form W-2, Wage and Tax Statement, must be reported on **Form CT-941**, *Connecticut Quarterly Reconciliation of Withholding*.

**Due date: January 31, 2005.** However, a payer that has made timely deposits of Connecticut withholding tax in full payment of such taxes due for the 2004 calendar year may file Form CT-945 on or before February 10, 2005.

**If the due date falls on a Saturday, Sunday, or legal holiday, the next business day is the due date.**

Be sure to complete all requested information on the back of this return. See instructions on back. Sign and date the return in the space provided. If payment is due, remit payment with this return.

Make your check payable to: COMMISSIONER OF REVENUE SERVICES. Write your Connecticut Tax Registration Number on your check.

Mail your completed return and payment (if applicable) to: Department of Revenue Services, PO Box 2931, Hartford CT 06104-2931.

To amend Form CT-945, use **Form CT-941X**, *Amended Connecticut Reconciliation of Withholding*. Forms and publications may be obtained by visiting the DRS Web site at **www.ct.gov/DRS** or by calling the DRS Forms Unit at 860-297-4753.

SEPARATE HERE AND MAIL COUPON TO DEPARTMENT OF REVENUE SERVICES. MAKE A COPY FOR YOUR RECORDS.

**CT-945 (DRS) CONNECTICUT ANNUAL RECONCILIATION OF WITHHOLDING FOR NONPAYROLL AMOUNTS ▶2004**

CONNECTICUT TAX REGISTRATION NUMBER ▶	FEDERAL EMPLOYER ID NUMBER ▶	CALENDAR YEAR ENDING ▶	DUE DATE
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ENTER NAME AND ADDRESS BELOW. PLEASE PRINT OR TYPE.

*** READ INSTRUCTIONS BEFORE COMPLETING ***			
1. GROSS NONPAYROLL AMOUNTS	▶	1	
2. GROSS CT NONPAYROLL AMOUNTS	▶	2	
3. CONNECTICUT TAX WITHHELD	▶	3	
4. CREDIT FROM PRIOR YEAR ***	▶	4	
5. PAYMENTS MADE FOR THIS YEAR	▶	5	
6. TOTAL PAYMENTS (Add Line 4 and Line 5)	▶	6	
7. NET TAX DUE (OR CREDIT) (Line 3 minus Line 6)	▶	7	
8a. PENALTY: ▶ + 8b. INTEREST: ▶		= 8	
9. AMOUNT TO BE CREDITED ***	▶	9	
10. AMOUNT TO BE REFUNDED ***	▶	10	
11. TOTAL AMOUNT DUE (Add Line 7 and Line 8)	▶	11	

- Semiweekly schedule depositor completing Schedule CT-945-A.
- Check if you no longer are making payments of nonpayroll withholding and enter date of last payment: \_\_\_\_\_.

I declare under penalty of law that I have examined this return (including any accompanying schedules and statements) and, to the best of my knowledge and belief, it is true, complete, and correct.

**Mail to:** DEPARTMENT OF REVENUE SERVICES  
 PO BOX 2931  
 HARTFORD CT 06104-2931

Signature \_\_\_\_\_

Title \_\_\_\_\_ Date \_\_\_\_\_

## INSTRUCTIONS FOR COMPLETING FRONT OF FORM CT-945 (DRS)

### Line 1

Enter the total amount of nonpayroll amounts, whether or not Connecticut nonpayroll amounts, paid to all recipients during the 2004 calendar year.

### Line 2

Enter the total amount of Connecticut nonpayroll amounts paid during the 2004 calendar year. **Connecticut nonpayroll amounts** are reportable gambling winnings (including reportable Connecticut Lottery winnings); pension and annuity distributions; military retirement pay; unemployment compensation; and payments made to athletes and entertainers.

### Line 3

Enter the total amount of Connecticut income tax withheld on Connecticut nonpayroll amounts during the 2004 calendar year. If \$500 or more, this should equal Line M below or Line M of Schedule CT-945-A, *Annual Record of Withheld Connecticut Income Tax*.

### Line 4

Except as otherwise provided, enter the amount to be credited on Line 9 of your Form CT-945 for the prior year. However, if any portion of that amount was withheld by you from recipients during a prior year and not repaid by

you to those recipients prior to the end of that year or prior to filing the return for that year (whichever is earlier), subtract that portion from the amount to be credited on Line 9 of your Form CT-945 for the prior calendar year, and enter the difference on Line 4.

### Line 5

Enter the sum of all payments made for the 2004 calendar year.

### Line 6

Add Line 4 and Line 5. This is the total of your payments and credits for the 2004 calendar year.

### Line 7

Subtract Line 6 from Line 3 and enter the difference on Line 7. This is the amount of tax due or credit. If Line 3 is more than Line 6, complete Line 8a and line 8b if necessary. If Line 6 is more than Line 3, complete Line 9 and Line 10.

### Line 8

Enter penalty on Line 8a and interest on Line 8b, and enter the total on Line 8. **Late Payment Penalty:** The penalty for paying all or a portion of the tax late is 10% (.10) of the tax paid late. **Late Filing Penalty:** If no tax is due, DRS may impose a \$50 penalty for the late filing of this return. **Interest:** Interest will be computed on

the tax paid late at the rate of 1% (.01) per month or fraction of a month.

### Line 9

Except as otherwise provided, enter the amount on Line 7 to be credited to the 2005 calendar year. However, if any portion of that amount was withheld by you from recipients during the 2004 calendar year and not repaid by you to those recipients prior to the end of the 2004 calendar year or prior to filing this return (whichever is earlier), subtract that portion from the amount on Line 7 to be credited to the 2005 calendar year and enter the difference on Line 9.

### Line 10

Except as otherwise provided, enter amount on Line 7 to be refunded. However, if any portion of that amount was withheld by you from recipients during the 2004 calendar year, and not repaid by you to those recipients prior to the end of the 2004 calendar year or prior to filing this return (whichever is earlier), subtract that portion from the amount from Line 7 to be refunded, and enter the difference on Line 10.

### Line 11

If the amount on Line 7 is a net tax due, add Line 7 and Line 8. This is the total amount now due.

## INSTRUCTIONS FOR COMPLETING BACK OF FORM CT-945 (DRS)

**All Filers:** If Line 3 on the front of **Form CT-945** is less than \$500, you need not complete the *Monthly Summary of Connecticut Tax Liability*, below.

**Semiweekly schedule depositors:** **Do not** complete the *Monthly Summary of Connecticut Tax Liability*, below. Instead, you must complete Schedule CT-945-A and attach it to Form CT-945.

**Monthly schedule depositors:** Complete the *Monthly Summary of Connecticut Tax Liability*, below.

### FORMS AND PUBLICATIONS

Forms and publications are available anytime by:

- **Internet:** Preview and download forms and publications from the DRS Web site: [www.ct.gov/DRS](http://www.ct.gov/DRS)
- **DRS TAX-FAX:** Call **860-297-5698** from the handset attached to your fax machine and select from the menu.
- **Telephone:** Call **860-297-4753** (from anywhere) or 1-800-382-9463 (in-state) and select Option 2 from a touch-tone phone.

**Visit the DRS Web site:**

*(for information and filing)*



**[www.ct.gov/DRS](http://www.ct.gov/DRS)**

### Monthly Summary of Connecticut Tax Liability (Show tax liability here, not deposits. See instructions.)

Month	Tax Liability for Month	Month	Tax Liability for Month	Month	Tax Liability for Month	
A	January	E	May	I	September	
B	February	F	June	J	October	
C	March	G	July	K	November	
D	April	H	August	L	December	
<b>M</b>	<b>Total liability for year</b> (add Lines A through L) This should equal Line 3 on the front of this return.				<b>M</b>	