

Form CT-1120SF

Service Facility Tax Credit

2008

For income year beginning: _____, 2008 and ending: _____.

Corporation name	Connecticut Tax Registration Number
DECD Eligibility Certificate Number (If applicable)	

Complete this form in blue or black ink only. Use **Form CT-1120SF**, to claim the credit allocable to a service facility located outside of an Enterprise Zone in a targeted investment community, as allowed under Conn. Gen. Stat. §12-217e against the corporation business tax. Attach it to **Form CT-1120K, Business Tax Credit Summary**.

A service facility located in an Enterprise Zone **cannot qualify** for this credit.

This credit is administered by the Department of Economic and Community Development (DECD). To be eligible for this credit, a written application must have been submitted to and approved by the Commissioner of DECD. See Conn. Gen. Stat. §32-9r.

Credit Percentages

There are six different credit percentages as provided in the following chart, to be applied against the portion of the Connecticut corporation business tax that is allocable to the service facility. The percentage varies depending on the number of new employees working at the service facility, as determined on *Schedule A*, Line 5.

The credit period is ten years and begins with the first full income year following the year of issuance of the eligibility certificate and continues for the following nine income years. If within the ten year period the facility

ceases to qualify as a service facility or the taxpayer ceases to occupy the property, entitlement to the credit terminates and there is no pro-rata application of the credit during the income year in which the entitlement or occupancy terminates.

No carryforward or carryback is allowed.

Number of New Employees Working at the Service Facility	Credit Percentage
300-599	15%
600-899	20%
900-1,199	25%
1,200-1,499	30%
1,500-1,999	40%
2,000 or more	50%

Additional Information

See **Informational Publication 2007(31), Guide to Connecticut Business Tax Credits**, or contact DECD, 505 Hudson Street, Hartford CT 06106, **860-270-8143**.

Schedule A - Employment Criteria

1. Enter the highest number of employees in Connecticut in the year preceding the formal application for certification with DECD.	1.	
2. Enter the number of employees in Connecticut during 2008.	2.	
3. Enter the number of new employees in Connecticut. Subtract Line 1 from Line 2. If zero or less the corporation is not eligible for this credit.	3.	
4. Enter the number of employees working at the service facility during 2008.	4.	
5. Number of new employees working at the service facility: Enter the lesser of Line 3 or Line 4.	5.	

Schedule B - Credit Computation

See instructions for the computation of Tangible Property and Wages, Salaries, and Other Compensation on Page 2.		Column A Eligible Facility Approved by DECD	Column B Total Facilities Within Connecticut (Including Eligible Facility)	Column C	
Tangible Property Average Monthly Net Book Value	1a. Depreciable assets			For Line 1 and Line 2, divide Column A by Column B. Carry to six decimal places	
	1b. Land				
	1c. Capitalized rent				
	1d. Other				
	1. Total			1.	0.
Wages, Salaries, and Other Compensation	2. Total			2.	0.
Facility Credit Ratio	3. Total: Add Line 1 and Line 2 in Column C.			3.	
	4. Facility ratio: Divide Line 3 by two.			4.	0.
	5. Tax from Form CT-1120, Schedule C, Line 1			5.	
Tax Credit Calculation	6. Balance: Multiply Line 5 by Line 4.			6.	
	7. Tax credit percentage: See instructions.			7.	
	8. Tax credit: Multiply Line 6 by Line 7. Enter here and on Form CT-1120K , Part I-C, Line 13, Column A.			8.	