

## Income/Franchise:

### Connecticut: Bulletin Reflects Revised Claimant Period for Combined Reporting-Related ASC 740 Deduction

*Taxpayer Services Special Bulletin (TSSB) 2023-3*, Conn. Dept. of Rev. Serv. (6/21/23). The Connecticut Department of Revenue Services issued a bulletin intended to update guidance in connection with state law providing for a net deferred tax liability (DTL) deduction pursuant to legislation enacted in 2015 that mandated unitary taxation for state corporation business tax purposes applicable to income years commencing on or after January 1, 2016. The bulletin explains that Question 1 and Question 2 in OCG-2, Office of Counsel Guidance Regarding the Net Deferred Tax Liability Deduction, are modified to reflect legislation from 2017 that extended the installment period over which the net DTL deduction may be claimed and delayed the years in which the net DTL deduction may first be claimed. Specifically, the bulletin explains that legislation enacted in 2017 revised the installment period to thirty years and the first income year that the net DTL deduction may be claimed to 2021. Please contact us with any questions.

**URL:** <https://portal.ct.gov/-/media/DRS/Publications/TSSB/2023/TSSB-2023-3.pdf>

**URL:** <https://portal.ct.gov/DRS/Publications/Office-of-Commissioner-Guidance--OCG/OCG2-Office-of-Counsel-Guidance>

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