

# Form CT-8886

## Connecticut Listed Transaction Disclosure Statement

Complete in blue or black ink only. Read the instructions on the back of this form before completing.

**Purpose**

Complete this form to comply with Connecticut abusive tax shelter reporting requirements.

<b>Name and Address</b>  Please type or print.	Name(s) as shown on return			Social Security Number (SSN) or FEIN
	Spouse's name			Spouse's SSN
	Address	Number and street	PO Box	Daytime telephone number ( )
	City, town, or post office	State	ZIP code	<b>DRS Use Only</b>  - - 20

**Abusive and Listed Transaction Information**

1. Listed transaction(s) - Attach additional sheet, if necessary.

	<b>Listed Transaction Identification</b> <i>(IRS Notice #, IRS Revenue Ruling #, Treasury Regulation #, or case name/#)</i>	<b>Description:</b>
A.		
B.		
C.		
D.		
E.		

2. Enter the taxable year(s) in which you participated in, or received a benefit from, a <b>listed transaction</b> .	2.	
3. Enter the number of federal forms attached to this form.	3.	

**What Records to Retain**

Form CT-8886 and supporting schedules **must** be completed in accordance with the instructions attached.

You **must** retain the completed Form CT-8886 with your tax records for the tax year the form is required. Form CT-8886, along with federal Form 8886, Reportable Transaction Disclosure Statement, including all supporting documents, **must** be retained for a period of six years after the due date of required completion.

Form CT-8886 and supporting documents **must** be provided to DRS upon request. **Do not file this form with DRS.**

**Do not attach Form CT-8886 to a Connecticut tax return.**

**Declaration:** 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. I understand the penalty for willfully delivering a false return or document to the Department of Revenue Services (DRS) is a fine of not more than \$5,000, imprisonment for not more than five years, or both. The declaration of a paid preparer other than the taxpayer is based on all information of which the preparer has any knowledge.

<b>Sign Here</b>  Keep a copy of this form for your records.	Signature (individual, corporate officer, general partner, member, or fiduciary)		Date	Telephone number ( )	
	Spouse's signature (if applicable)			Date	
	Paid preparer's signature			Date	
	Preparer's Telephone ( )		Preparer's Tax Identification Number (PTIN) or SSN		
	Firm's name and address		Firm's FEIN		

# Form CT-8886 Instructions

## General Information

Taxpayers participating in any tax shelter designated by the Internal Revenue Service (IRS) as an abusive or **listed transaction** are required to provide DRS with specific information about each listed transaction.

For tax returns (individual or corporation) beginning on or after January 1, 2006, a penalty of 75% of the amount of the deficiency may be imposed when it appears that any part of the deficiency is due to a failure to disclose a listed transaction. DRS may conduct audits of abusive transactions six years after the return was filed.

Also, promoters of abusive tax shelters may be subject to a penalty of 50% of the gross income received from the marketing, soliciting, sale, or promotion of abusive tax shelters.

## What is a listed transaction?

A **listed transaction** is a reportable transaction that is the same as or substantially similar to a transaction the IRS determines to be a tax avoidance transaction and identified by notice, ruling, regulation, or other form of published guidance as a listed transaction. This is true whether or not the IRS has identified the transaction as a listed transaction at the time the taxpayer entered into the transaction.

## Who Must Complete Form CT-8886

Every taxpayer, who is required to file a disclosure statement of listed transactions with the IRS (according to Internal Revenue Code (IRC) §6011 and Treasury Regulation §1.6011-4), must complete **Form CT-8886, Connecticut Listed Transaction Disclosure Statement**.

This form, along with supporting documentation, must be retained for a period of six years after the due date of required completion.

Form CT-8886 is used to disclose participation on original and amended returns. The form must be returned for every return that reflects either a taxpayer's participation in or benefit received from a listed transaction. For income tax purposes, if a listed transaction results in a loss which is carried back to a prior year, the form must be completed for both the return on which the loss is generated and the return(s) on which the loss is utilized.

Each taxpayer must make its own disclosure using Form CT-8886. However, a composite agent who is required to complete a composite return on behalf of nonresident members may file this form on behalf of its members.

Taxpayers who may be required to complete this form include:

- Corporations, including limited liability companies (LLCs) treated as a corporation;
- Individuals, including sole proprietors and single member LLCs;
- Partnerships, including LLCs that are treated as a partnership for federal income tax purposes;
- Estates and trusts;
- Partners in a partnership;
- S corporations;
- Shareholders of an S corporation; **and**
- Beneficiaries of an estate or trust.

## When to Complete Form CT-8886

Form CT-8886 must be completed on or before the due date (or extended due date) of the Connecticut income tax or the Connecticut business tax return for each taxable year for which a taxpayer participates in a listed transaction.

For returns filed under Chapter 229 of the Connecticut General Statutes (individuals, partnerships, LLCs, S corporations, trusts and estates), the form must be completed on or before the fifteenth day of the fourth month following the close of the taxpayer's taxable year.

For returns filed under Chapter 208 of the Connecticut General Statutes (C corporations), the form must be completed on or before the first day of the month next succeeding the due date of the company's corresponding federal income tax return for the income year or, in the case of any company that is not required to file a federal income tax return for the income year, on or before the first day of the fourth month next succeeding the end of the income year.

## What Records to Retain

You **must** retain the completed Form CT-8886 with your tax records for the tax year the form is required. Form CT-8886, along with federal Form 8886, Reportable Transaction Disclosure Statement, including all supplemental statements and any required federal Schedule M-3, **must** be retained for a period of six years after the due date of required completion.

Form CT-8886 and supporting documents **must** be provided to DRS upon request. **Do not file this form with DRS.**

**Do not attach Form CT-8886 to a Connecticut tax return.**

## Specific Line Instructions

### Line 1

Enter the IRS Notice, IRS Revenue Ruling, Treasury Regulation, case name (and number), or other form of published guidance that identified the listed transaction and provide a description of the listed transaction.

This includes transactions that are the same as or substantially similar to one of the types of transactions that the IRS has determined to be a tax avoidance transaction.

The IRS list of abusive or listed transactions is available by visiting the IRS website at [www.irs.gov/businesses/corporations](http://www.irs.gov/businesses/corporations) and selecting **Abusive Tax Shelters and Transactions**. The listed transactions is also periodically updated in issues of the IRS Internal Revenue Bulletin.

### Line 2

Enter the taxable year(s) in which you participated in, or received a benefit from a **listed transaction**. This disclosure **must** be made for each taxable year for which a taxpayer participates in a listed transaction.

### Line 3

Enter the number of IRS Form(s) 8886 and Schedule(s) M-3 attached to this form. See *What Records to Retain*, above.

## Signature

You **must** sign this form. If you are completing Form CT-8886 jointly with your spouse, he or she must also sign. Corporations and pass-through entities must have a duly authorized officer, or general partner sign. Anyone who has a signed **Form LGL-001, Power of Attorney**, may sign on your behalf.

## Paid Preparer's Signature

Anyone you pay to prepare your return **must** sign and date it. Paid preparers **must** also enter their Social Security Number (SSN) or Personal Tax Identification Number (PTIN), their firm's Federal Employer Identification Number (FEIN), and the firm's address and telephone number.

## For Further Information

Visit the DRS Web site at [www.ct.gov/DRS](http://www.ct.gov/DRS) or for personal telephone assistance call the Corporation and Pass-Through Audit Unit at 860-541-7640, Monday through Friday, 8:30 a.m. to 4:30 p.m.