Do you have tax liability in Connecticut?  
Connecticut Tax Controversies May Affect Your Business

The State of Connecticut continues to struggle with sufficient tax receipts to meet its financial obligations. To mitigate projected deficits for the current and future fiscal years, the General Assembly considers revenue adjustments, the repeal of sales and use tax exemptions and the addition of new services to be subject to tax. In addition, the Corporation Business Tax may be restructured to require unitary tax filings for multistate corporations. The Connecticut Department of Revenue Services (DRS) will continue to aggressively seek out additional revenues through conducting audits of businesses and imposing assessments with added interest and penalties.

In its last report for fiscal year ending June 30, 2014, DRS reported that it had collected over $46 million dollars in penalties and over $100 million dollars in interest. By contrast, DRS refunded over $47 million dollars mostly to businesses for the same period.

Murtha Cullina partner Burt Cohen has been representing significant taxpayers in DRS audits and appeals for over 30 years. His experience ranges from corporation business tax and sales and use tax audits and claims for refunds, to specialized industry taxes and tax credits. He has brought appeals of DRS assessments and denials of taxpayer refund claims and has had success in obtaining favorable results, often through cost effective settlements, which have in many cases actually saved clients from paying excessive taxes and penalties. Burt has stated that his clients will pay taxes that are due to the State, but not one penny more, and this approach over the years has earned him the respect of DRS decision-makers.

Burt recommends that when businesses get a notice from DRS of an audit or are in the midst of an audit, it is often beneficial to get legal representation then, rather than wait until an assessment is finalized. Often, legal representation can lead to a more favorable final audit result before the assessment is finalized. A final assessment can be appealed through the Appellate Division of DRS and, again, legal representation will be beneficial through that process. Finally, if the assessment is upheld, a taxpayer has the option of appealing the DRS decision to court.

If your business has received a DRS notice of an audit or is in the midst of an audit, or has received an assessment, Burt is available to review your case and discuss your options.

If you have questions with regard to the above, or believe you are in need of advice on tax controversies in Connecticut, please contact Burt Cohen at bcohen@murthalaw.com or 203.772.7714.