



CERTIFIED PUBLIC ACCOUNTANTS

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# Connecticut Department of Revenue Services

## DRS Says Software Company Will Fix Income Tax Errors

### Problem with Property Tax Credit Identified

*Hartford* – The Connecticut Department of Revenue Services (DRS) today announced that H&R Block will fix a problem discovered in the software company's TaxCut income tax preparation software. The software incorrectly disallows the property tax credit for resident taxpayers above certain income thresholds. A downloadable software patch to resolve this problem will be available from the TaxCut.com web site today.

Resident taxpayers who purchased the H&R Block TaxCut software at retail outlets and whose adjusted gross income allows them to receive a percentage of the \$350 property tax credit are instead being denied any credit by the software. The problem has not impacted taxpayers who use the TaxCut.com web site to prepare their own returns, or who have returns prepared at an H&R Block office.

Those taxpayers who may be impacted by the problems are filers that meet the following criteria:

- o They file a *Connecticut Resident Income Tax Return*;
- o They paid property taxes on a primary residence or motor vehicle;
- o Their Connecticut adjusted gross income (AGI) reported on Form CT-1040 Line 5 is within the following ranges:

<b>Filing Status</b>	<b>AGI</b>
Married Filing Joint & Qualifying Widower	100,500 - 190,500
Single	55,000 - 145,000
Head of Household	78,500 - 168,500
Married Filing Separately	50,250 - 95,250

This is a select segment of the income tax filing population. A random sample of 75,000 Connecticut income tax filers produced less than 100 that may have been impacted by this problem. However, DRS and H&R Block want to ensure that every eligible taxpayer receives the benefit of the credit to which they are entitled.

Taxpayers who have already filed their *Connecticut Resident Income Tax Return* using TaxCut pre-packaged software and who meet the criteria listed above are encouraged to review their return. If they did not receive the correct property tax credit, they should file a CT-1040X, *2005 Amended Income Tax Return for Individuals*. Returns can be downloaded from the DRS web site at [www.ct.gov/DRS](http://www.ct.gov/DRS).

Taxpayers who purchased TaxCut pre-packaged software, but have not filed their return, will be prompted to go to the H&R Block web site for information about downloading software corrections. Taxpayers may also visit the H&R Block web site at [www.taxcut.com/ct](http://www.taxcut.com/ct) for more information.

Prior to designating H&R Block TaxCut software as acceptable for Connecticut income tax filing, DRS conducted a variety of tests of the software, including the property tax credit calculator with various income thresholds. At that time, the software correctly calculated the property tax credit. The agency is committed to finding and resolving any potential software problems prior to their release to the public.

For more information about Connecticut tax issues, please visit the DRS web site at [www.ct.gov/DRS](http://www.ct.gov/DRS) or call 1-800-382-9463 in state, or (860) 297-5962 from anywhere. Media calls should be directed to the communications office at (860) 297-5610.

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