



INFORMATIONAL PUBLICATION

Status Letters

Purpose: This Informational Publication describes status letters and explains the procedure for a business to request a status letter from the Department of Revenue Services (DRS).

Effective Date: Effective when issued.

Statutory Authority: Conn. Gen. Stat. §12-2.

What is a status letter? DRS issues a status letter (also known as a Letter of Good Standing) to a business that requests one provided certain conditions or criteria are satisfied.

If DRS determines it is appropriate to issue a status letter, the status letter will contain the following information about a business as of the date the status letter is issued:

- The tax type or types for which the business is registered with DRS;
- The frequency the business is required to file tax returns, such as monthly, quarterly, or annual filings, for all Connecticut taxes for which the business is registered with DRS;
- The last return received and processed by DRS for each tax type for which the business is registered;
- Delinquent tax returns, if any;
- Any extensions granted for filing tax returns; **and**
- Outstanding accounts receivable balances or tax liabilities the business owes DRS, if any.

A status letter does not declare the information included on the tax returns is accurate. DRS may determine these returns are not correct, and to the extent allowed by law, may make an assessment against the business and its successors or assigns. The status letter is not a Tax Clearance Certificate for sales and use taxes under Conn. Gen. Stat. §12-424 or for admissions and dues tax under Conn. Gen. Stat. §12-546. (See **Informational Publication 2002(16)**,

Successor Liability for Sales and Use Taxes and Admissions and Dues Tax, for more information.)

The DRS Collection and Enforcement Lien Unit issues status letters for all taxes administered by DRS except the Connecticut personal income tax. Contact the DRS Collection and Enforcement Lien Unit at **860-297-5913** or **860-297-5896**. For information about obtaining a status letter for the Connecticut personal income tax, contact the DRS Income Tax Audit Unit at **860-541-4542**. DRS does not issue status letters for unemployment taxes. Contact the State of Connecticut, Department of Labor, Employer Status Unit, at **860-263-6550** for inquiries about a status letter for unemployment taxes.

Status letters do not contain information about corporate dissolutions, corporate reinstatements, or corporate withdrawals. Contact the DRS Corporation Office Audit Unit at **860-541-4539** for inquiries about corporate dissolutions, corporate reinstatements, or corporate withdrawals.

Why would a business request a status letter? A business may request a status letter to determine if it has any overdue tax returns that need to be filed or if it has any outstanding tax liabilities with DRS. Typically, a lending institution may require a status letter from DRS before approving a loan for the business.

Who may request a status letter? The request **must** originate from an authorized representative of the business. An authorized representative may be an owner if the business is a sole proprietorship or LLC, a partner if the business is an LLP or partnership, or a corporate officer or director if the business is a corporation. A third party, such as a practitioner, may be authorized to receive a status letter if a properly completed **Form LGL-001, Power of Attorney**, is submitted with the request.

What information must a business provide with a request for a status letter? A request for a status letter must be on the business's letterhead and must include:

- The name of the business as registered with DRS;
- The mailing address of the business as registered with DRS;
- The physical location of the business as registered with DRS;
- The Connecticut Tax Registration Number of the business (this number is 10 digits and usually ends in 000);
- A written statement that clearly explains the reason for the status letter request;
- The mailing address for the status letter if it is different from the address of the business;
- The original signature and the title of the authorized representative making the request; **and**
- A properly executed **Form LGL-001** signed by an authorized representative of the business if the status letter is requested by anyone other than an authorized representative of the business.

How should a status letter request be delivered to DRS? A business should mail the status letter request and a properly completed **Form LGL-001**, if applicable, to:

Department of Revenue Services
Collection and Enforcement Division – Lien Unit
Request for a Status Letter
25 Sigourney Street
Hartford CT 06106

DRS accepts hand-delivered requests from businesses. However, DRS does not accept status letter requests made by e-mail, fax, or phone.

When does a business receive a status letter? A business usually receives a status letter within three weeks after DRS receives all required documentation. Requests are processed in the order in which DRS receives all required documentation for each request.

If the status letter request does not contain all required information, DRS sends a letter to the business listing the additional information needed before a status letter can be issued. A business is

given 30 days from the date of the letter to furnish DRS with the additional information. If DRS does not receive the additional information from the business within the 30 days, the business's request for a status letter is considered withdrawn.

Can a business request an updated status letter after it has corrected problems noted in the first status letter? Yes. A business may request an updated status letter that contains updated information after any outstanding liabilities are paid and any delinquent tax returns are filed. However, the updated request is considered a new request, and it must be filed using the procedures outlined in this document.

Effect on Other Documents: Informational Publication 2004(9), *Status Letters*, modifies and supersedes **Informational Publication 2002(15), *Status Letters***.

Effect of This Document: An Informational Publication addresses frequently asked questions about a current position, policy, or practice, usually in a less technical question and answer format.

For Further Information: Call DRS during business hours, Monday through Friday:

- **1-800-382-9463** (in-state), or
- **860-297-5962** (from anywhere)

TTY, TDD, and Text Telephone users only may transmit inquiries anytime by calling 860-297-4911.

Forms and Publications: Forms and publications are available anytime by:

- **Internet:** Preview and download forms and publications from the DRS Web site at **www.ct.gov/DRS**
- **DRS TAX-FAX:** Call **860-297-5698** from the handset attached to your fax machine and select from the menu.
- **Telephone:** Call **860-297-4753** (from anywhere), or **1-800-382-9463** (in-state) and select **Option 2** from a touch-tone phone.