

Residency for Tax Purposes

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Issue

How does the Department of Revenue Services (DRS) determine an individual's residency for income tax purposes?

Summary

Connecticut uses a two-part test to determine whether an individual is a state resident for income tax purposes. The first test is tied to an individual's domicile (i.e., permanent legal residence). The second is tied to whether the individual permanently maintains a residence in Connecticut (i.e., permanent place of abode) and the number of days he or she spent in Connecticut during the tax year. Under this two-part test, an individual is a resident of this state for a particular tax year if he or she meets either of the following conditions:

1. was domiciled in Connecticut for the entire tax year, subject to certain exceptions described below; **or**
2. was not domiciled in Connecticut but maintained a "permanent place of abode" here during the entire year **and** spent more than 183 days here during the year ([CGS § 12-701\(1\)](#); [Conn. Agencies Regs. § 12-701\(a\)\(1\)-1](#))

An individual may be a Connecticut resident for income tax purposes, and taxable as a resident, even though he or she would not be deemed a resident for other purposes. [Residents](#) are taxed on income from all sources within and outside Connecticut. [Nonresidents](#), on the other hand, are taxed only on the income they derive from Connecticut. They calculate their Connecticut income tax in the same manner as residents, but apportion the tax based on the percentage derived from or connected with Connecticut sources (e.g., Connecticut businesses or real estate interests). Special

rules apply to [part-year residents](#) (individuals who changed their permanent legal residence by moving in or out of the state during the tax year).

Additional information, including special requirements that apply to military personnel and joint filers with different residency status, is available on [DRS's website](#).

Domicile

Definition

An individual's domicile is generally the place he or she intends to have as a permanent home and to which he or she intends to return whenever away. An individual can have only one domicile even though he or she has more than one place to live. The individual's domicile does not change until he or she moves to a new location and intends to make his or her permanent home there. If the individual moves to a new location but intends to stay there only for a limited time (no matter how long), his or her domicile does not change. This also applies if the individual is working in a foreign country. Domicile is generally not affected by an individual's service in the armed forces (2019 Form CT-1040 NR/PY, [Connecticut Nonresident and Part-Year Resident Income Tax Return Instructions](#)).

Exceptions

Certain individuals are not deemed residents even though they are domiciled in Connecticut. Under DRS regulations, an individual domiciled in Connecticut is a resident for income tax purposes for a specific tax year unless he or she satisfies all three of the following requirements:

1. maintains no permanent place of abode (as described below) in Connecticut during the year;
2. maintains a permanent place of abode outside Connecticut during the year; and
3. spends a total of 30 days or less in Connecticut during the year ([Conn. Agencies Regs. § 12-701\(a\)\(1\)-1](#)).

Factors Considered in Domicile Determinations

DRS considers a multitude of factors in evaluating an individual's domicile, including his or her real estate, social, business, and civic connections to Connecticut. DRS regulations enumerate the following items the department considers in domicile determinations, but note that this is not intended to be an exhaustive list:

1. location of domicile for prior years;

2. where the individual votes or is registered to vote;
3. status as a student;
4. employment location and classification (i.e., temporary or permanent);
5. location of newly acquired home, whether owned or rented;
6. present status of former home (i.e., whether sold, offered for sale, rented, or available to rent);
7. whether the individual claimed a Connecticut veteran's exemption for real or personal property tax;
8. other real property ownership;
9. jurisdiction from which a valid driver's license was issued and type of license;
10. jurisdiction from which any professional licenses were issued;
11. location of the individual's union membership;
12. jurisdiction from which any motor vehicle registration was issued and the actual location of the vehicles;
13. whether the individual purchased resident or nonresident fishing or hunting licenses;
14. whether the individual filed a resident or nonresident income tax return with Connecticut or another jurisdiction;
15. whether the individual has fulfilled the tax obligations required of a resident;
16. location of any bank accounts, particularly the most active checking account, and other transactions with financial institutions;
17. location of the individual's place of worship;
18. location of business relationships and the place where business is transacted;
19. location of social, fraternal, or athletic organizations or clubs, or a lodge or country club, in which the individual is a member;
20. address where mail is received;
21. percentage of time (excluding work hours) that the individual is physically present in Connecticut versus other jurisdictions;
22. location of jurisdiction from which unemployment compensation benefits are received;

23. location of schools at which the individual or his or her immediate family attend classes, and whether resident or nonresident tuition was charged;
24. statements made to any insurance company concerning the individual's residence;
25. location of most of the individual's and his or her family's professional contacts (e.g., physicians and attorneys); and
26. location where pets are licensed ([Conn. Agencies Regs. § 12-701\(a\)\(1\)-1](#)).

DRS does not consider charitable contributions in determining whether an individual is domiciled in Connecticut. According to DRS guidance, charitable contributions can include donations of money, personal property, and uncompensated time (e.g., attending or volunteering at a charity event; volunteering for the organization; or serving on its governing board, an advisory board, or committee) (DRS PS 2016(3), [Charitable Contributions Not Considered in Domicile Determinations](#)).

Permanent Place of Abode

Definition

DRS regulations define “permanent place of abode” as a residence the individual permanently maintains, regardless of whether they own it; it generally includes a residence the individual's spouse owns or leases. A place of abode is not considered permanent if it is maintained only during a temporary stay (e.g., if an individual is assigned to his or her employer's Connecticut office for a fixed and limited period and uses an apartment in Connecticut during this period).

A permanent place of abode generally excludes a (1) dwelling place the individual owns and leases to others (who are not related by blood or marriage) for a period of at least one year; (2) “mere camp or cottage” used only for vacations; and (3) barracks, motel room, or other place that does not contain facilities ordinarily found in a dwelling (e.g., cooking or bathing facilities).

Rules for Determining Days Within and Outside of Connecticut

An individual is considered a Connecticut resident for income tax purposes if he or she maintained a permanent place of abode here during the tax year and spent more than 183 days here (i.e., Connecticut days). A Connecticut day includes any part of a day, except for a part of a day during which an individual is here while in transit to another destination. Individuals must have records available for DRS examination to substantiate that they spent 183 days or less in Connecticut.

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