



Connecticut Notice of Tax Assessment Checklist

A Connecticut Notice of Tax Assessment refers to official correspondence from the Connecticut Department of Revenue Services (DRS) regarding a tax deficiency or discrepancy in your tax account. Connecticut employs specific legal terminology for these notices, and understanding the type of notice you received is crucial for protecting your rights.

DRS typically issues a notice of proposed assessment of a deficiency (also referred to as a deficiency notice) when it identifies a tax deficiency based on its audit or review. This initial notice proposes an assessment and explains the reason for the proposed adjustment. The notice is a proposal at this stage, not yet a final determination.

If you do not respond with a formal written protest within 60 days, this proposed assessment automatically becomes a final assessment by operation of Connecticut law. Once final, the assessment establishes the amount you owe, and DRS can proceed with collection enforcement actions.

Why DRS Sends Assessment Notices

Connecticut sends deficiency notices in several everyday situations. You may have filed a return late or paid a tax bill after the due date. The state's records may show income, deductions, or credits that differ from what you reported on your return.

You may not have filed a required return when DRS believes one was necessary based on information reported by employers, financial institutions, or other third parties. DRS uses automated matching systems and staff audits to identify these discrepancies.



Once identified, DRS must follow specific legal procedures to notify you and provide an opportunity to respond before the assessment becomes final.

The Critical 60-Day Protest Deadline

The most crucial deadline in Connecticut tax assessment procedures is the 60-day protest period. Under Connecticut law, you have precisely 60 days from the date the notice of proposed assessment is mailed to file a written protest with the DRS Appellate Division.

This 60-day deadline is jurisdictional and cannot be extended except in extraordinary circumstances. Property tax deadlines and state tax assessment deadlines follow different procedures, so understanding which type of assessment you received matters significantly. If you miss this deadline, the proposed evaluation automatically becomes a final assessment, and you lose your right to contest the amount through the administrative appeals process.

For jeopardy assessments (issued when DRS believes delay will jeopardize collection), the deadline is only 10 days, not 60 days. Jeopardy assessments follow accelerated procedures and require immediate attention.

What Happens If the Assessment Becomes Final

If you do not file a protest within 60 days, the notice of proposed assessment automatically converts to a final evaluation 60 days after the mailing date. Once an assessment becomes final, interest and penalties continue to accumulate on the unpaid balance.



DRS can then pursue enforcement actions for collection. Under Connecticut law, DRS must provide at least 30 days' written notice before issuing a warrant on intangible personal property such as bank accounts, wages, or receivables. However, this 30-day collection notice is separate from and in addition to the initial 60-day protest deadline for the assessment itself.

Collection actions may include filing liens against your real or personal property, issuing warrants to levy bank accounts, garnishing wages through serving officers, intercepting tax refunds, and pursuing civil action through the Attorney General's office.

What the Notice Does and Does Not Mean

Receiving a deficiency notice means DRS has identified a discrepancy and is proposing an assessment. It does not mean that the evaluation is final or that you have no options to contest it. You have the legal right to file a written protest, request an oral hearing, and present evidence supporting your position.

The notice also does not mean DRS has already filed a lien, seized assets, or taken legal action against you. Those enforcement actions come later if the assessment becomes final and remains unpaid.

While civil deficiency notices are separate from criminal enforcement, Connecticut law does provide for criminal prosecution in cases of willful tax violations. Willfully failing to file returns, pay taxes, or maintain required records can result in fines of up to \$1,000 and imprisonment for up to one year. Willfully filing fraudulent documents is a Class D felony. However, receiving a civil assessment notice does not indicate that criminal charges have been filed or are being considered.



How to File a Formal Protest

To properly contest a Connecticut tax assessment, you must file a written protest with the DRS Appellate Division. Simply calling DRS to discuss the issue does not constitute a formal protest and will not prevent the assessment from becoming final.

Your written protest must include specific information: your name, address, and daytime telephone number; your tax registration number or Social Security number; the tax type and periods involved; a statement that you are protesting the assessment; a detailed description of each disputed issue; factual statements supporting your position for each issue; legal authority or statutory references supporting your position; and the audit control number if shown on the notice.

Mail or fax your protest to the DRS Appellate Division at the address or fax number provided on the notice. If the notice does not include this information, contact DRS immediately to obtain the correct mailing address for protests. Your protest must be postmarked within 60 days of the date shown on the notice.

If you request an oral hearing in your written protest, the DRS Appellate Division may grant or deny your request. During this process, you have the right to be represented by an attorney, certified public accountant, or other qualified representative.

The Appellate Review and Assessment Appeal Process

After you file a protest, an Appellate Officer will review your case. You will have the opportunity to provide additional documentation and information to support your position. The Appellate Officer will gather all relevant information, consider your arguments, and issue a written determination.



The Appellate Division's determination will explain the factual findings and legal basis for the decision. If you disagree with the determination, you have one month from the date the determination notice is mailed to file an appeal with the Connecticut Superior Court.

The one-month judicial review deadline is also jurisdictional and cannot be extended. If you miss this deadline, the Appellate Division's determination becomes final and enforceable. Superior Court review provides an independent judicial examination of the DRS determination and your supporting evidence.

Different Tax Types and Assessment Procedures

Connecticut assessment procedures vary by tax type. Income tax assessments follow the procedures outlined in Chapter 229 of the Connecticut General Statutes, with a standard 60-day protest deadline. Sales and use tax assessments follow different procedures under Chapter 219.

Corporation business tax has its own assessment provisions. Personal property tax on business equipment and inventory follows separate procedures from state income and sales tax assessments. Additionally, DRS may issue assessments for responsible persons for withholding tax, motor vehicle fuel tax, and sales tax.

These responsible person assessments hold specific individuals personally liable for business tax obligations and can be protested through the same appellate procedures. Understanding which tax type applies to your assessment notice helps you follow the correct response procedures.

State Tax Versus Municipal Property Tax



It is essential to distinguish between state tax assessments from DRS and municipal property tax assessments. Property tax appeals in Connecticut municipalities follow entirely different procedures from state income or sales tax assessments.

Property owners who disagree with real property tax assessments or personal property assessments on business equipment must appeal to their local Board of Assessment Appeals, not to DRS. Municipal property tax appeals have different deadlines and procedures established by Connecticut municipalities.

The Board of Assessment Appeals hears property assessment disputes at the local level. If property owners disagree with the Board of Assessment Appeals decision, they can appeal to the Connecticut Superior Court. This article addresses state tax assessments from DRS, not municipal property tax matters.

Payment Options and Penalty Minimization

If you agree with the assessment or determine you cannot successfully contest it, paying as quickly as possible minimizes interest accumulation. Interest continues to accrue at a rate of one percent per month from the original due date until the tax is paid in full.

If you cannot pay the full amount immediately, contact the DRS Collection and Enforcement Division to discuss payment plan options. Even if DRS approves a payment arrangement, they may still file a lien to secure the debt and may continue to intercept tax refunds.

You can also deposit a cash bond while your protest is pending. This deposit stops interest from accruing on the deposited amount, but does not constitute an admission



that you owe the tax. If you prevail in your protest, the deposit will be returned to you without interest.

Understanding Penalties on Assessments

Connecticut law imposes specific penalties on deficiency assessments depending on the circumstances. A 10 percent penalty applies when the deficiency results from negligence or intentional disregard of Connecticut tax laws or regulations. A 25 percent penalty applies when the deficiency results from fraud or intent to evade tax.

For certain reporting violations involving reportable transactions, a 75 percent penalty may apply. Only one penalty can be imposed per tax period, even if multiple violation types occurred. Understanding which penalties apply to your situation helps you evaluate the total amount at issue.

Gathering Documentation and Records

When you receive an assessment notice, immediately gather all property records and financial documents related to the tax year in question. Collect your filed tax returns with all schedules and attachments, income documents including W-2 forms and 1099 forms, receipts for claimed deductions or expenses, and proof of any payments you made.

Also, gather any correspondence you previously received from DRS regarding this tax year. Having complete documentation organized before filing your protest or contacting DRS makes the review process more efficient. Missing documents can weaken your position or delay resolution.



If you operated a business during the tax year, gather business records, including profit and loss statements, balance sheets, depreciation schedules, and documentation of business expenses. For personal property used in business, maintain records showing acquisition dates, costs, and current values.

Assessment Notices and Response Timing

Connecticut sends assessment notices by mail to the taxpayer's last known address.

The mailing date shown on the notice, not the date you receive it, marks the start of the 60-day protest deadline.

If you have moved and not updated your address with DRS, you may not receive notices promptly. Check with DRS regularly if you have moved to ensure you haven't missed any important notices. Assessment notices explain the proposed changes, show the additional tax amount, and provide the deadline for filing a protest.

Read the entire notice carefully to understand what tax periods are covered, what adjustments DRS made to your return, and why they believe additional tax is owed. The notice should reference specific income items, disallowed deductions, or other issues that created the deficiency.

Market Conditions and Tax Assessments

While market conditions and comparable property sales primarily affect municipal property assessments rather than state income or sales tax assessments, economic factors can influence state tax disputes. For example, if you dispute the fair market value of property sold during the tax year, current market conditions and comparable sales data may support your position.



Business taxpayers disputing income amounts or expense deductions may need to reference industry conditions, market trends, or comparable business transactions to support their claims. Providing context about market conditions during the relevant tax year can strengthen factual arguments in your protest.

However, state tax assessments focus primarily on income reporting accuracy, proper deduction substantiation, and correct application of tax law rather than valuation disputes common in property tax appeals.

Moving Forward

Receiving a Connecticut Notice of Tax Assessment requires immediate attention and careful response. Read the notice thoroughly to determine whether it is a notice of proposed assessment (requiring a 60-day response) or a final assessment (already past the protest deadline). Note the exact mailing date and calculate your response deadline immediately.

Determine whether you agree with the assessment or have grounds to contest it. If contesting, prepare a thorough written protest that addresses each issue with specific facts and legal support. If you need professional assistance, consult with a tax attorney or certified public accountant experienced in Connecticut tax matters.

Do not ignore assessment notices or assume you have no options. Even if the 60-day protest deadline has passed, contact DRS to discuss payment arrangements and prevent additional collection actions. Acting promptly protects your legal rights and minimizes financial consequences.



Received a State Tax Notice?

If you've received a state tax notice and aren't sure how to respond, we can help you review your options and next steps.

We offer:

- State tax notice review and response
- Penalty and interest reduction options
- Payroll and trust fund tax assistance
- Payment plan and relief eligibility review
- Representation with state tax agencies

Get professional help today: (888) 260-9441
20+ years experience • Same-day reviews available
