INCOME AND EXPENSE REPORT INSTRUCTIONS

General Instructions **PLEASE READ CAREFULLY**

1. **Property for which the report must be filed:**

   All real property used primarily for purposes of producing rental income including apartments. (**Exclusive** of such property used solely for residential purposes, multi-family residences containing not more than five dwelling units, or six dwelling units if the owner resides in one of the units.)

   Each Income and Expense Report should reflect information for a **single** property, as identified in the Assessor's records, for the **one**-calendar-year). If you own more than one rental property, you **MUST** file a **separate Income and Expense Report for Each property** in this jurisdiction.

2. **How To File:**

   The three-page **Income and Expense Report** must be completed for all real property used primarily for purposes of producing rental income. The appropriate form "Schedule A", Apartment Rent Schedule or "Schedule B" Lessee Rent Schedule, **MUST** be completed. The "Verification of Purchase Price" form **MUST** be completed for those properties that transferred ownership **within the past three (3) years**. **ALL THREE PAGES MUST BE RETURNED (SIGNED AND DATED ON PAGE 3.**.)

   Under **EXPENSES**, list the total amounts of applicable operating expenses on the lines provided. For the purposes of this report, do not include as operating expense the owner's business expense. Report only those operating expenses necessary to support and maintain the property's income. Capital expenditures, debt service, depreciation, and amortization may be entered on lines 40 through 44.

   Sign and date the forms. It is advisable to keep a copy for your records. **Failure to file the completed forms by June 1st. annually will result in an assessment penalty of 10 percent.**

3. **THIS INFORMATION WILL BE HELD CONFIDENTIAL.** ANY INFORMATION RELATED TO THE ACTUAL RENTAL AND RENTAL RELATED INCOME AND OPERATING EXPENSES SHALL NOT BE A PUBLIC RECORD AND IS NOT SUBJECT TO THE PROVISIONS OF SECTION 1–19 (i.e., FREEDOM OF INFORMATION), OF THE CONNECTICUT GENERAL STATUTES.

Heading Instructions

PROPERTY. NAME Enter Name associated with property **if applicable**.

PROPERTY ADDRESS Enter the property address (rental property street number and street name).

PARCEL ID ****Confirm that the parcel ID (Map-Lot) is correct!**** Please call if in question.

Item 1. Primary Use of Property: Please circle the appropriate descriptive word for the primary use of the property. If "other", state the property use. If owner occupied, indicate here.

Item 2-8 Please enter applicable data. If an item is unknown leave that specific line blank.

INCOME Instructions

Items 9-17&19 Enter **POTENTIAL ANNUAL RENTS** for **ALL RENTAL UNITS, AS IF 100% OCCUPIED AND COLLECTED**. The appropriate Schedule A/B **MUST** be completed. Lines 15 & 16 may be used for vacant space or owner occupied areas respectively.

Item 18 Enter **ADDITIONAL ANNUAL** income, or service income, e.g., laundry, vending machines, machine commissions, parking, billboards, communication antennas, etc.

Item 20 Enter **SUM** of lines 9 through 19.

Item 21 Enter **ACTUAL INCOME LOSSES** due to VACANCY and/or UNCOLLECTABLE rents.

Item 22 Subtract line 21 from line 20. Enter resulting EFFECTIVE INCOME on line 22.

EXPENSE Instructions (Enter ACTUAL expenses incurred in the past calendar year)

Item 23 Enter ANNUAL amount spent for heating and cooling provided by property OWNER.

Item 24 Enter ANNUAL amount spent on electricity: electric heat, lights, provided by OWNER.

Item 25 Enter other utility expenses provided by OWNER: e.g., (water, sewer, telephone, etc)

Item 26 Enter salaries and benefits for employees necessary to maintain the property and to provide the operational activities required to keep the property rented. **EXCLUDE** management fees of professional agency, repairs, and decorating expenses.

Item 27 Enter costs of supplies necessary to the maintenence of the building; such as cleaning supplies, etc., but **DO NOT include** furniture, business operation, or office related items.

Item 28 Enter costs or fees of private, off-site management agency or management fees.

Item 29 Enter **ANNUAL** insurance premium for various items including: fire, liability, etc. (if insurance premium is/are for more than one-year please pro-rate as necessary.)

Item 30 Enter ANNUAL expenses for common area ground maintenance including snow removal, parking lot maintenance, and trash removal.

Item 31 Enter leasing fees, commissions, advertising costs, etc., incurred in obtaining tenants.

Item 32 Enter fees of lawyer and/or accountant for services relating to the property. (Not for business conducted in the building.)

Item 33 Enter expenses incurred for elevator/escalator service and maintenance.

Item 34 Enter amount of expenses incurred to provide security: guards, cameras, gates, etc

Item 35 Enter actual repair costs incurred.

Items 36-37 If necessary enter amount(s) for other service(s) required to operate the facility. Itemize and identify the expense(s) in the space(s) provided.

Item 38 Enter sum of items 23 through 37.

Item 39 Subtract amount on line 38 from amount on line 22. Enter resulting amount

Item 40 Enter costs of major repairs, remodeling and/or renovation expenses, if any.

Item 41 Enter real estate property tax, **only if paid by the owner of the real estate**.

Item 42 If applicable, enter total annual mortgage payments, including principal and interest.

Item 43 Optional, enter book depreciation here.

Item 44 Optional, enter amortization.

SIGN AND DATE FORM, also please print your name and include your telephone number.

In accordance with §12-63c(d), any owner of real estate used primarily for purposes of producing rental income who fails to file by June 1st. of every year, or files an incomplete or false form with intent to defraud, shall be subject to a penalty assessment equal to a ten percent (10%) increase in the property's assessed value.