

KENTUCKY S CORPORATION  
INCOME TAX AND LLET RETURN

2017

See instructions. Taxable period beginning \_\_\_\_\_, 201\_\_\_\_, and ending \_\_\_\_\_, 201\_\_\_\_.

<b>A</b> LLET Exemption Code Enter Code _____	<b>D</b> Federal Identification Number _____  Name of S Corporation _____ <input type="checkbox"/> Change of Name	<b>E</b> Kentucky Corporation/LLET Account Number (Required) _____  <div style="text-align: right;"><b>Taxable Year Ending</b> ____/____/____</div>
<b>B</b> Income Tax Exemption Code Enter Code _____  <b>C</b> Number of Shareholders (Attach K-1s) _____  Number of QSSSs Included in This Return (Attach Schedule) _____	Number and Street _____  City _____ State _____ ZIP Code _____ Telephone Number _____	
	<b>F</b> Check if applicable: <input type="checkbox"/> Qualified investment pass-through entity <input type="checkbox"/> Final return (Complete Part IV) <input type="checkbox"/> Initial return <input type="checkbox"/> Short-period return (Complete Part IV) <input type="checkbox"/> LLC <input type="checkbox"/> Change of accounting period <input type="checkbox"/> Amended return (Complete Part V)	
State and Date of Incorporation _____ Principal Business Activity in KY _____ NAICS Code Number in KY (See <a href="http://www.census.gov">www.census.gov</a> ) _____		

PART I—LLET COMPUTATION			PART II—INCOME TAX COMPUTATION		
1. Schedule L, Section D, line 1 (Page 6) ..	1	00	1. Excess net passive income tax.....	1	00
2. Tax credit recapture .....	2	00	2. Built-in gains tax .....	2	00
3. Total (add lines 1 and 2).....	3	00	3. Tax installment on LIFO recapture .....	3	00
4. Nonrefundable LLET credit from Kentucky Schedule(s) K-1 .....	4	00	4. <b>Total</b> (add lines 1 through 3).....	4	00
5. Nonrefundable tax credits (attach Schedule TCS).....	5	00	5. Estimated tax payments .....	5	00
6. <b>LLET liability</b> (greater of line 3 less lines 4 and 5 or \$175 minimum) .....	6	00	6. Extension payment .....	6	00
7. Estimated tax payments <input type="checkbox"/> Check if Form 2220-K attached .....	7	00	7. Prior year's tax credit .....	7	00
8. Certified rehabilitation tax credit .....	8	00	8. LLET overpayment from Part I, line 17 .....	8	00
9. Film industry tax credit.....	9	00	9. Income tax paid on original return .....	9	00
10. Extension payment .....	10	00	10. Income tax overpayment on original return .....	10	00
11. Prior year's tax credit.....	11	00	11. <b>Income tax due</b> (lines 4 and 10 less lines 5 through 9).....	11	00
12. Income tax overpayment from Part II, line 13 .....	12	00	12. <b>Income tax overpayment</b> (lines 5 through 9 less lines 4 and 10).....	12	00
13. LLET paid on original return .....	13	00	13. Credited to 2017 LLET .....	13	00
14. LLET overpayment on original return.....	14	00	14. Credited to 2017 interest.....	14	00
15. <b>LLET due</b> (lines 6 and 14 less lines 7 through 13) .....	15	00	15. Credited to 2017 penalty .....	15	00
16. <b>LLET overpayment</b> (lines 7 through 13 less lines 6 and 14) .....	16	00	16. Credited to 2018 corporation income tax..	16	00
17. Credited to 2017 income tax.....	17	00	17. <b>Amount to be refunded</b> .....	17	00
18. Credited to 2017 interest.....	18	00			
19. Credited to 2017 penalty.....	19	00			
20. Credited to 2018 LLET .....	20	00			
21. <b>Amount to be refunded</b> .....	21	00			

TAX PAYMENT SUMMARY (Round to nearest dollar)				OFFICIAL USE ONLY	
<b>LLET</b> 1. LLET due (Part I, Line 15)     \$ _____ <b>.00</b> 2. Interest             \$ _____ <b>.00</b> 3. Penalty             \$ _____ <b>.00</b> 4. <b>Subtotal</b> \$ _____ <b>.00</b>		<b>INCOME</b> 1. Income tax due (Part II, Line 11)     \$ _____ <b>.00</b> 2. Interest             \$ _____ <b>.00</b> 3. Penalty             \$ _____ <b>.00</b> 4. <b>Subtotal</b> \$ _____ <b>.00</b>		<b>P</b> <b>W</b> <b>2</b> <b>0</b> <b>4</b>  <b>V</b> <b>A</b> <b>L</b>  <b>#</b>	
<b>TOTAL PAYMENT</b> (Add Subtotals) .....> \$ _____ <b>.00</b>					

**PART III—ORDINARY INCOME (LOSS) COMPUTATION**

1. Federal ordinary income (loss) (see instructions) .....	1		00
<b>ADDITIONS</b>			
2. State taxes based on net/gross income .....	2		00
3. Federal depreciation (do not include IRC §179 expense deduction) .....	3		00
4. Related party expenses (attach Schedule RPC).....	4		00
5. Other (attach Schedule O-PTE).....	5		00
6. Total (add lines 1 through 5) .....	6		00
<b>SUBTRACTIONS</b>			
7. Federal work opportunity credit.....	7		00
8. Kentucky depreciation (do not include IRC §179 expense deduction) .....	8		00
9. Other (attach Schedule O-PTE).....	9		00
10. <b>Kentucky ordinary income (loss)</b> (line 6 less lines 7 through 9) .....	10		00

**PART IV—EXPLANATION OF FINAL RETURN AND/OR SHORT-PERIOD RETURN**

- |   |  |
|---|--|
| <input type="checkbox"/> Ceased operations in Kentucky  | <input type="checkbox"/> Change in filing status |
| <input type="checkbox"/> Change of ownership            | <input type="checkbox"/> Merger                  |
| <input type="checkbox"/> Successor to previous business | <input type="checkbox"/> Other _____             |

**PART V—EXPLANATION OF AMENDED RETURN CHANGES****OFFICER INFORMATION**

Attach a schedule listing the name, home address, and Social Security number of the vice president, secretary, and treasurer.

Has the attached officer information changed from the last return filed? ☐ Yes ☐ No

President's Name \_\_\_\_\_ President's Home Address \_\_\_\_\_

President's Social Security Number \_\_\_\_\_

Date Became President \_\_\_\_ / \_\_\_\_ / \_\_\_\_

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

<b>Sign Here</b>	Signature of Officer	Date
	Name of Officer	Title
<b>Paid Preparer Use</b>	Signature of Preparer	Date
	Name of Preparer or Firm	ID Number
	Email and/or Telephone No.	May the DOR discuss this return with this preparer? <input type="checkbox"/> Yes <input type="checkbox"/> No

<b>Enclose</b>	Include federal Form 1120S with all supporting schedules and statements.	<b>Refund or No Payment</b>	<b>Kentucky Department of Revenue</b> P. O. Box 856905 Louisville, KY 40285-6905
<b>Payment</b>	Check Payable: <b>Kentucky State Treasurer</b> E-Pay Options: <b>www.revenue.ky.gov</b>	<b>With Payment</b>	<b>Kentucky Department of Revenue</b> P. O. Box 856910 Louisville, KY 40285-6910



## SCHEDULE Q— KENTUCKY S CORPORATION QUESTIONNAIRE

**IMPORTANT:** Questions 3–12 must be completed by all S corporations. If this is the S corporation's initial return or if the S corporation did not file a return under the same name and same federal I.D. number for the preceding year, questions 1 and 2 must be answered. **Failure to do so may result in a request for a delinquent return.**

1. Indicate whether: (a) ☐ new business; (b) ☐ successor to previously existing business which was organized as:  
 (1) ☐ corporation; (2) ☐ partnership; (3) ☐ sole proprietorship;  
 or (4) ☐ other \_\_\_\_\_

If successor to previously existing business, give name, address and federal I.D. number of the previous business organization.

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

2. If a foreign S corporation, enter the date qualified to do business in Kentucky. \_\_\_\_ / \_\_\_\_ / \_\_\_\_

3. List the following **Kentucky** account numbers. Enter N/A for any number not applicable.

KY Secretary of State Organization \_\_\_\_\_  
 Nonresident Income Tax Withholding \_\_\_\_\_  
 Employer Withholding \_\_\_\_\_  
 Sales and Use Tax Permit \_\_\_\_\_  
 Consumer Use Tax \_\_\_\_\_  
 Unemployment Insurance \_\_\_\_\_  
 Coal Severance and/or Processing Tax \_\_\_\_\_

4. The S corporation's books are in care of: (name and address)

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

5. Are disregarded entities included in this return?  
☐ Yes ☐ No. If yes, list name, address and federal I.D. number of each entity.

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

- 6(a) Was the S corporation a partner or member in a pass-through entity doing business in Kentucky? ☐ Yes ☐ No. If yes, list name and federal I.D. number of each pass-through entity.

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

- 6(b) Was the S corporation doing business in Kentucky other than through its interest held in a pass-through entity doing business in Kentucky? ☐ Yes ☐ No

7. Are related party costs per KRS 141.205(1)(l) included in this return? ☐ Yes ☐ No. If yes, attach Schedule RPC, Related Party Costs Disclosure Statement, and enter any related party cost additions on Part I, Line 4.

8. Is the entity filing this Kentucky tax return organized as a limited cooperative association per KRS Chapter 272A? ☐ Yes ☐ No

9. Is the entity filing this Kentucky tax return organized as a statutory trust or a series statutory trust per KRS Chapter 386A? ☐ Yes ☐ No

If yes, is the entity filing this Kentucky tax return a series within a statutory trust? ☐ Yes ☐ No

If yes, enter the name, address and federal I.D. number of the statutory trust registered with the Kentucky Secretary of State:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

10. Was this return prepared on: (a) ☐ cash basis, (b) ☐ accrual basis, (c) ☐ other \_\_\_\_\_

11. Did the S corporation file a Kentucky tangible personal property tax return for January 1, 2018? ☐ Yes ☐ No

If yes, list the name and federal I.D. number of entity(ies) filing return(s):

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

12. Is the S corporation currently under audit by the Internal Revenue Service? ☐ Yes ☐ No  
 If yes, enter years under audit \_\_\_\_\_

If the Internal Revenue Service has made final and unappealable adjustments to the corporation's taxable income which have not been reported to the department, check here ☐ and file an amended Form 720S for each year adjusted. **Attach a copy of the final determination to each amended return.**

**SCHEDULE K—SHAREHOLDERS' SHARES OF INCOME, CREDITS, DEDUCTIONS, ETC.**

SECTION A		Pro Rata Share Items		Total Amount	
<b>Income (Loss) and Deductions</b>					
1. Kentucky ordinary income (loss) from trade or business activities (page 2, Part III, line 10).....	1				00
2. Net income (loss) from rental real estate activities (attach federal Form 8825) .....	2				00
3. (a) Gross income from other rental activities.....	3(a)			00	
(b) Less expenses from other rental activities (attach schedule) .....	(b)			00	
(c) Net income (loss) from other rental activities (line 3a less line 3b) .....	3(c)				00
4. Portfolio income (loss):					
(a) Interest income .....	4(a)				00
(b) Dividend income.....	(b)				00
(c) Royalty income .....	(c)				00
(d) Net short-term capital gain (loss) (attach federal Schedule D and Kentucky Schedule D, if applicable).....	(d)				00
(e) Net long-term capital gain (loss) (attach federal Schedule D and Kentucky Schedule D, if applicable).....	(e)				00
(f) Other portfolio income (loss) (attach schedule) .....	(f)				00
5. IRC §1231 net gain (loss) (other than due to casualty or theft) (attach federal Form 4797 and Kentucky Form 4797) .....	5				00
6. Other income (loss) (attach schedule) .....	6				00
7. Charitable contributions (attach schedule) and housing for homeless deduction (attach Schedule HH).....	7				00
8. IRC §179 expense deduction (attach federal Form 4562 and Kentucky Form 4562) .....	8				00
9. Deductions related to portfolio income (loss) (attach schedule) .....	9				00
10. Other deductions (attach schedule) .....	10				00
<b>Investment Interest</b>					
11. (a) Interest expense on investment debts .....	11(a)				00
(b) (1) Investment income included on lines 4(a), 4(b), 4(c), and 4(f) above .....	(b)(1)				00
(b) (2) Investment expenses included on line 9 above .....	(b)(2)				00
<b>Tax Credits (see instructions)</b>					
12. Enter the applicable tax credit					
(a) ➤ .....	12(a)				00
(b) ➤ .....	(b)				00
(c) ➤ .....	(c)				00
(d) ➤ .....	(d)				00
(e) ➤ .....	(e)				00

**SCHEDULE K—SHAREHOLDERS' SHARES OF INCOME, CREDITS, DEDUCTIONS, ETC.**

<b>SECTION A—continued</b>	<b>Pro Rata Share Items</b>	<b>Total Amount</b>
<b>Other Items</b>		
13. (a) Type of IRC §59(e)(2) expenditures ➤ _____	13(a)	
(b) Amount of IRC §59(e)(2) expenditures.....	(b)	00
14. Tax-exempt interest income .....	14	00
15. Other tax-exempt income .....	15	00
16. Nondeductible expenses .....	16	00
17. Total property distributions (including cash) other than dividends reported on line 19 below.....	17	00
18. Other items and amounts required to be reported separately to shareholders (attach schedule).....	18	
19. Total dividend distributions paid from accumulated earnings and profits .....	19	00
<b>SECTION B—LLET Pass-through Items (Required)</b>		
1. Kentucky gross receipts from Schedule L, Section A, Column A, line 2.....	1	00
2. Total gross receipts from Schedule L, Section A, Column B, line 2 .....	2	00
3. Kentucky gross profits from Schedule L, Section A, Column A, line 5 .....	3	00
4. Total gross profits from Schedule L, Section A, Column B, line 5.....	4	00
5. Limited liability entity tax (LLET) nonrefundable credit from page 1, Part I, the total of lines 4 and 6, less \$175 .....	5	00
<b>SECTION C—Apportionment Pass-through Items</b>		
1. Kentucky sales from Schedule A, Part I, line 1 .....	1	00
2. Total sales from Schedule A, Part I, line 2 .....	2	00
3. Kentucky property from Schedule A, Part I, line 5 .....	3	00
4. Total property from Schedule A, Part I, line 6 .....	4	00
5. Kentucky payroll from Schedule A, Part I, line 8.....	5	00
6. Total payroll from Schedule A, Part I, line 9 .....	6	00

**SCHEDULE L—LIMITED LIABILITY ENTITY TAX COMPUTATION**

- ☐ Check this box and complete Schedule L-C, Limited Liability Entity Tax—Continuation Sheet, if the corporation or limited liability pass-through entity filing this tax return is a partner or member of a limited liability pass-through entity or general partnership (organized or formed as a general partnership after January 1, 2006) doing business in Kentucky. Enter the total amounts from Schedule L-C in Section A of this schedule.

**SECTION A—Computation of Gross Receipts and Gross Profits**

		Column A Kentucky		Column B Total	
1.(a) Gross receipts less returns and allowances .....	1(a)		00		00
(b) Kentucky statutory gross receipts reductions (see instructions) .....	(b)		00		
2. Adjusted gross receipts (line 1(a) less line 1(b)).....	2		00		00
3.(a) Cost of goods sold (attach Schedule COGS).....	3(a)		00		00
(b) Kentucky statutory cost of goods sold reductions (see instructions) ....	(b)		00		
4. Adjusted cost of goods sold (line 3(a) less line 3(b)) .....	4		00		00
5. Gross profits (line 2 less line 4).....	5		00		00



**If Section A, Column B, Line 2 is \$3,000,000 or less,  
STOP and enter \$175 in Section D, line 1 below.**

**SECTION B—Computation of Gross Receipts LLET**

1. If gross receipts from all sources (Column B, line 2) are greater than \$3,000,000 but less than \$6,000,000, enter the following: (Column A, line 2 x 0.00095) – $\left[ \$2,850 \times \frac{(\$6,000,000 - \text{Column A, line 2})}{\$3,000,000} \right]$ but in no case shall the result be less than zero .....	1		00	
2. If gross receipts from all sources (Column B, line 2) are \$6,000,000 or greater, enter the following: Column A, line 2 x 0.00095.....	2		00	
3. Enter the amount from line 1 or line 2.....	3		00	

**SECTION C—Computation of Gross Profits LLET**

1. If gross profits from all sources (Column B, line 5) are greater than \$3,000,000 but less than \$6,000,000, enter the following: (Column A, line 5 x 0.0075) – $\left[ \$22,500 \times \frac{(\$6,000,000 - \text{Column A, line 5})}{\$3,000,000} \right]$ but in no case shall the result be less than zero .....	1		00	
2. If gross profits from all sources (Column B, line 5) are \$6,000,000 or greater, enter the following: Column A, line 5 x 0.0075.....	2		00	
3. Enter the amount from line 1 or line 2.....	3		00	

**SECTION D—Computation of LLET**

1. Enter the lesser of Section B, line 3 or Section C, line 3 or a minimum of \$175 and enter on Page 1, Part I, line 1.....	1		00	
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