## SCHEDULE HH Form 720

## KENTUCKY HOUSING FOR HOMELESS FAMILIES DEDUCTION

T	axa	ble	Year	End	ling

\_\_\_/\_\_\_

41A720HH (10-00)

Revenue Cabinet

➤ Attach this form to Form 720, 720S, 740, 740-NP, 741 or 765.

'*	ame of Taxpayer		Social Security or Fede	Social Security or Federal Identification Number				
		Complete a separate	e Schedule HH for each d	welling unit donated.				
Α.	Organization to which p	oroperty was donated _						
B.	Date property donated							
C.	Type of unit donated: ☐ single family dwelling ☐ unit within multiple family facility							
D.	If multiple family facility, indicate total number of units in the facility number of units donated							
CO	MPUTATION OF DEDUC	TION						
		-		<u> </u>				
		Donated	Comparable	Comparable	Comparable			
		Property	Property A	Property B	Property C			
1.	City and state							
2.	Street address							
	Description of property							
3.					<u> </u>			
3. 4.	Rooms			<u> </u>				
<ul><li>3.</li><li>4.</li><li>5.</li></ul>								
4.								
4. 5.	Square footage	Comparable Properties A,	В, С					
4. 5. 6.	Square footage	•	B, Center last monthly rent receiv					
<ul><li>4.</li><li>5.</li><li>6.</li><li>7.</li></ul>	Monthly rent	months of date donated,	enter last monthly rent receive	/ed				
4. 5. 6. 7. 8.	Square footage	months of date donated, in property. Enter lesser o		vedero, enter line 7.)				

Purpose of Form—This form is to be used to determine the amount of deduction allowed by KRS 141.0202 for the value of leasehold interest in property contributed to a charitable organization to be used to provide temporary living quarters for a homeless family. A separate Schedule HH must be submitted for each dwelling unit donated.

Contributions Qualifying for Deduction—Effective for tax years beginning after December 31, 1989, contributions of property to a charitable organization qualify for this deduction if the property is used to provide temporary living quarters for a homeless family when:

- the homeless family has demonstrated a need for a fixed, regular and adequate night time residence; and
- 2. the homeless family does not occupy the dwelling for a period in excess of one year.

**Information Necessary to Substantiate the Deduction**—In addition to the information requested on this form, the following information must be attached to this form:

- proof that during the taxable year the dwelling meets the habitability standards prescribed by the state or political subdivision in which the dwelling is located; and
- 2. copy of statement supplied by the charitable organization reflecting the dates during the year the dwelling was occupied by each homeless family.

Example: Family 1—from 1/5/90 to 1/15/90 Family 2—from 1/25/90 to 2/28/90, etc.

41A720HH0013

## SPECIFIC INSTRUCTIONS

**Line 3**—The description of the properties should be very brief and general such as, 1 b.r. house, eff. apt., 1 b.r. apt., etc.

Line 4—Use abbreviations to list the rooms included in each dwelling such as, b.r. for bedroom, bth. for bathroom, l.r. for living room, etc.

Line 5—Enter total square footage of living space.

Lines 6 and 8—The monthly rental amounts to be entered on these lines must be net of any charge or fees for utilities or other services.

Line 10—KRS 141.0202 allows a deduction in the amount of the monthly value of the leasehold interest multiplied by the number of months during which the property is occupied for a substantial portion of the month by a homeless family. For this purpose, "substantial" means more than one-half. Therefore, based on the statement supplied by the charitable organization, determine the total number of months during the year that the property was occupied for more than one-half of the month and enter the total on this line.

Line 11—The amount from line 11 or, if more than one Schedule HH is required, the total of line 11 from all the Schedules HH filed must be entered on the appropriate tax returns as follows. Corporations filing Form 720 include in the amount entered in Part I, line 12. Individuals filing Form 740 or 740-NP include in charitable contribution deduction on Schedule A. Fiduciaries filing Form 741 include in line 1, Schedule A, page 2. S corporations and partnerships enter total on line 7 or line 8, respectively, of Schedule K, Form 720S or Form 765. Enter each shareholder or partner's pro 720S or 765, and provide each shareholder or partner with a copy of each Schedule HH.

**Important:** For Kentucky purposes, this deduction is a special deduction which may be greater than any ordinary charitable contribution deduction allowed for the property and is not subject to the percentage limitation provided by IRC Section 170. However, in accordance with KRS 141.010(11) and (13)(d), the same item may not be deducted more than once.