

**SCOTT COUNTY SCHOOLS  
 NET PROFITS RETURN  
 2003**

**Required**

Federal ID# \_\_\_\_\_  
 (If none, list Social Security #)

PLEASE NOTIFY THIS OFFICE OF ANY CHANGES IN OWNERSHIP OR NAME AND ADDRESS

**SECTION A QUESTIONS 1-9 MUST BE ANSWERED FULLY BEFORE RETURNING**

- |  |   |
|--|---|
| <p>1) Check which: <input type="checkbox"/> Corporation, <input type="checkbox"/> Partnership, <input type="checkbox"/> LLC<br/> <input type="checkbox"/> Individual Owner, <input type="checkbox"/> Fiduciary,<br/> <input type="checkbox"/> Other (state)</p> <p>2) Nature of Business _____</p> <p>3) Telephone Number: Business: _____<br/>         Home: _____</p> <p>4) Date business was started _____<br/>         If organization was discontinued, when? _____</p> <p>5) Name of Successor _____</p> | <p>6) List additional businesses operated subject to Scott County Schools Occupational Tax _____</p> <p>7) Did you have any employees who were residents of Scott County this year? <input type="checkbox"/> yes <input type="checkbox"/> no<br/>         If yes, how many? _____</p> <p>8) Basis on which this return is prepared:<br/> <input type="checkbox"/> Cash <input type="checkbox"/> Accrual</p> <p>9) Was an extension applied for? <input type="checkbox"/> yes; if yes, attach copy <input type="checkbox"/> no<br/>         Date applied for _____</p> |
|--|---|

**SECTION B**

ATTACH one COPY of the applicable KENTUCKY FORM and indicate below which form(s) are attached:(No filing of joint returns)

- |               |                  |  |
|---------------|------------------|--|
| _____ 720 KY  | _____ 765 KY     | _____ 1040 Sch F                           |
| _____ 720S KY | _____ 1040 Sch C | _____ Other Earned Income (describe) _____ |
| _____ 740 KY  | _____ 1040 Sch D |  |
| _____ 741 KY  | _____ 1040 Sch E |  |

- |  |          |
|--|----------|
| 10) Net Income per attached form(s) _____  | \$ _____ |
| 11) Add items not deductible (Section C, Line F) _____   | _____    |
| 12) Total (Line 10 plus Line 11) _____   | _____    |
| 13) If Section D (Line J) is used, enter here Average Percentage _____                               | _____ %  |
| 14) Net Profits subject to tax (Line 12 x Line 13, or if Line 13 is N/A use amount on Line 12) _____ | _____    |
| 15) Occupational Tax (Line 14 x .005) _____  | _____    |
| 16) Credits (Attach explanation) _____   | \$ _____ |
| 17) Balance (Line 15 less Line 16) _____   | _____    |
| 18) <b>Penalty</b> - \$10.00 late filing fee plus 1% per month until paid _____                      | _____    |
| 19) Balance Due (Line 17 plus 18) <b>PAY THIS AMOUNT</b> _____                                       | _____    |
| 20) If overpaid indicate [ ] refund or [ ] credit _____  | \$ _____ |

**SECTION C**

**ITEMS NOT DEDUCTIBLE - ADD**

- |   |       |
|---|-------|
| A. State or local taxes based on income _____     | _____ |
| B. Capital Gains/Capital Loss Carryover _____     | _____ |
| C. Net Operating Loss Deduction _____             | _____ |
| D. Partner's Salaries (attach schedule) _____     | _____ |
| E. Other Items (see instructions Section C) _____ | _____ |
| F. TOTAL ADDITIONS (enter on Line 11) _____       | _____ |

**MAKE PAYMENT TO:**  
 Scott County Schools  
 Tax Collector  
 P.O. Box 800  
 Georgetown, KY 40324

**SECTION D**

Business Allocation Percentage - Divide Column B by Column A to obtain decimal. Carry out at least 6 places.

<b>ALLOCATION FACTORS</b>	<b>COLUMN A</b>	<b>COLUMN B</b>	<b>COLUMN C</b>
	<b>TOTAL</b>	<b>TAXABLE</b>	<b>PERCENTAGE</b>

G. Gross Receipts (if not applicable, write N/A)\$	\$ _____	\$ _____	%
H. Total Wages, Salaries & Other Compensation (If not applicable, write N/A)	\$ _____	\$ _____	%
I. Total Percents Column C, (Line G plus H)	_____	_____	%
J. Average Percentage (Line I divided by number of percents) Enter on Section B Line 13	_____	_____	%

I hereby certify that the statements made herein and in any supporting schedules are true, correct, and complete to the best of my knowledge.

**RETURN MUST BE SIGNED**

Signature of Individual Preparing Return _____	Date _____	Signature of Taxpayer _____	Date _____
Phone _____		Phone _____	

## INSTRUCTIONS

**Who is Subject:** Every individual, partnership, corporation, LLC, or any other entity deriving earnings from activities conducted within Scott County is subject to a rate of one-half of one percent of net profits.

**When to File:** The Net Profits Return must be filed before April 15, if on a calendar year, or 105 days after the end of the fiscal year.

**Extension of Time for Filing:** The Scott County Public Schools Tax Collector may extend the time for filing any annual report or return. Such extension shall be upon the written request of the licensee. An Application for Extension of Time to File is available from the Tax Collector. The Collector may also accept a copy of the licensee's application to the Internal Revenue Service for an automatic extension of time for filing a federal income tax return for the same year. Extensions are due by the licensee's original filing date. An extension of time for filing does not extend the time for payment of the occupational license tax. Any occupational license tax estimated due at the time of filing the request for an extension of time to file shall be paid with that request.

**Provision for Interest and Penalties for Late Payment:** Any licensee who fails to pay the occupational license tax imposed by the Scott County Schools regulation or these rules on or before the date due shall pay interest at 12% annum and pay a penalty of one percent (1%) per month, or fraction of a month, of the amount of such occupational license tax past due until paid. Any licensee who fails to file a required return or report or fails to provide information requested shall pay a penalty in the amount of ten dollars (\$10.00) for each such failure.

**Where to File:** Mail your return along with check or money order to the Tax Collector, Scott County Schools, P.O. Box 800, Georgetown, KY 40324. Telephone (502) 863-9805.

**Base of Net Profits Return:** In computing the amount due, begin with "Net income" as reported on the applicable Kentucky Income Tax Form. NOTE: The Scott County Schools Net Profit Tax base is net income, not *taxable* net income as reported on the applicable Kentucky form. Use **Kentucky depreciation amounts.** Net income is determined without any deductions for net operating loss carryover and *before* the apportionment percentage used by businesses with multi-state activity.

Below is a list of business types with the applicable Kentucky form shown on the right. A copy of the completed applicable tax form must accompany the Net Profits Return.

C Corporation.....	720 (KY)	Individual Proprietorship.....	740 (KY), 1040 Schedules C, E and/or F
Partnership.....	765 (KY)	Fiduciary.....	741 (KY)
S Corporation.....	720S (KY)		

### SECTION A

Lines 1 through 9 must be answered completely.

### SECTION B

For Line 10 in Section B, total income per Kentucky Return, use the line and Kentucky form as indicated below.

Enter Line 13 from Form 720 (KY)	Enter Line 31 from Form 1040, Schedule C
Enter Line 9 from Form 765 (KY)	Enter Line 26 from Form 1040, Schedule E
Enter Line 7 from Form 720S (KY)	Enter Line 36 from Form 1040, Schedule F
Enter Line 14 from Form 741 (KY)	

### SECTION C

Section C (Lines A-E) is used to add back items which are subject to the Scott County Schools Occupational License Tax. Most of these items are taken as deductions on the applicable Kentucky return; therefore, they must be added back on Line 11. Listed below are instructions for each type of licensee.

#### Corporations:

Add back any deduction for state or local taxes based on income. Capital gains included in net income on the Kentucky return must be adjusted to eliminate any capital loss carryover. Capital loss carry backs or forwards are not allowed as a deduction. Add back any deduction for net operating loss carry forward or carry back. Include on Line E dividend and interest income and other business income not included in total business receipts.

#### Partnerships, LLCs, and S Corporations:

Add back any deduction for local taxes based on income plus income passed through separately on the Kentucky Income Tax Return from a partnership to the partners or an S corporation to its shareholders. Add back on Line D all interest, dividends, rents, royalties, ordinary and capital gains or losses and payments to partners deducted on Kentucky Form 765, and attach a schedule.

#### Individual Proprietorships:

Add back any deduction for state taxes based upon income, local taxes based on income and Occupational License Tax paid under this levy if any. With Schedules C, E, and/or F, do not include business capital gains; Line B should show such gains as 100% subject to taxation. Include on Line E, and itemize on a schedule other business income not included in total business receipts on Form 740 Schedules C, E, and/or F.

### SECTION D

Section D (Lines G-J) shall be completed **ONLY** if the licensee has gross receipts and/or wages, salaries and other compensation, **both within and without** Scott County. Completion of this Section determines the proportionate share of total business activity attributable to Scott County. If the licensee has gross receipts or payroll, but not within Scott County, a zero percentage should be added to Column C when calculating the Average Percentage (Line J).