

SCHEDULE CC

41A720CC (10-10)

Commonwealth of Kentucky
DEPARTMENT OF REVENUE



Taxable Year Ending

___ / ___
Mo. Yr.

COAL CONVERSION TAX CREDIT

KRS 141.041

► **Attach to Form 720.**

| | | |
|--|--|---|
| Name as shown on Form 720 | Federal Identification Number _____ | Kentucky Corporation/LLET Account Number _____ |
| Location of coal conversion facility (street, city, county, state) | | |

(If more than one facility, complete a separate Schedule CC for each.)

USE OF UNIT—To qualify, the facility must: *(check appropriate box)*

- Generate steam or hot water for space heating or materials processing.
- Provide direct heat for industrial processes.

TYPE OF CONVERSION FOR WHICH CREDIT IS CLAIMED—To qualify, the facility must have: *(check appropriate box)*

- A.** Replaced a non-coal burning facility with a coal-burning facility.* Date Completed _____
- B.** Installed an additional facility capable of burning coal.* Date Completed _____
- C.** Converted a non-coal facility to a coal facility.* Date Completed _____
- D.** Substituted coal for other fuels in multi-fuel facility. Enter the calendar year used as base year _____. *Complete Parts I and III below.*

* Attach a statement describing in detail the type of facility in use previously and the type of facility in use after replacement, addition or conversion. *Complete Parts I and II below.*

PART I—SCHEDULE OF KENTUCKY COAL (Coal Subject to Taxation Under KRS Chapter 143) *The corporation must complete.*

| Supplier | Supplier's Coal Severance ID Number | A Number of Tons Used | B Purchase Price of Tons Used | C Transportation Expense Included in B | D Net Cost (B Minus C) |
|---------------|-------------------------------------|--------------------------|----------------------------------|---|---------------------------|
| a. | | | | | 00 |
| b. | | | | | 00 |
| c. | | | | | 00 |
| d. | | | | | 00 |
| e. | | | | | 00 |
| f. | | | | | 00 |
| TOTALS | | | | | 00 |

PART II—COMPUTATION FOR NEW COAL USERS *(To be completed by a corporation that checked box A, B or C above.)*

| | | | |
|---|---|---|-------------|
| 1. Total from Part I, column D | 1 | | 00 |
| 2. Credit Rate is 4.5%..... | 2 | x | .045 |
| 3. Tax Credit: Multiply amount on line 1 by line 2. | 3 | | 00 |
| 4. LLET Credit —Enter appropriate amount from line 3 on Schedule TCS, Part II, Column E | 4 | | 00 |
| 5. Corporation Income Tax Credit —Enter appropriate amount from line 3 on Schedule TCS, Part II, Column F..... | 5 | | 00 |

(NOTE: This credit cannot reduce the LLET for the tax year below the \$175 minimum.)



PART III—COMPUTATION OF COAL SUBSTITUTION *(To be completed by a corporation that checked box D on page 1.)*

1. Base year fuel input.

| Fuel | Unit | A Number of Units Used | B Million BTUs/Unit (Avg.) | C Million BTUs/Fuel | D Percent of BTUs Used* |
|--------------------------------------|-------|------------------------------|-------------------------------------|---------------------------|-------------------------------|
| a. Kentucky Coal | Tons | _____ | x _____ | = _____ | _____ |
| b. Non-Kentucky Coal | Tons | _____ | x _____ | = _____ | _____ |
| c. Natural Gas | MCF | _____ | x _____ | = _____ | _____ |
| d. Crude Oil | Bbls. | _____ | x _____ | = _____ | _____ |
| e. Fuel Oil | Gals. | _____ | x _____ | = _____ | _____ |
| f. Other: _____ | _____ | _____ | x _____ | = _____ | _____ |
| g. TOTAL of c, d, e and f..... | | | | | _____ |
| h. TOTAL of a, b, c, d, e and f..... | | | | | 100% |

*Compute percentages by dividing amounts in column C, lines a through f, by amount in column C, line h.

2. Tax year fuel input.

| Fuel | Unit | A Number of Units Used | B Million BTUs/Unit (Avg.) | C Million BTUs/Fuel | D Percent of BTUs Used* |
|--------------------------------------|-------|------------------------------|-------------------------------------|---------------------------|-------------------------------|
| a. Kentucky Coal | Tons | _____ | x _____ | = _____ | _____ |
| b. Non-Kentucky Coal | Tons | _____ | x _____ | = _____ | _____ |
| c. Natural Gas | MCF | _____ | x _____ | = _____ | _____ |
| d. Crude Oil | Bbls. | _____ | x _____ | = _____ | _____ |
| e. Fuel Oil | Gals. | _____ | x _____ | = _____ | _____ |
| f. Other: _____ | _____ | _____ | x _____ | = _____ | _____ |
| g. TOTAL of c, d, e and f..... | | | | | _____ |
| h. TOTAL of a, b, c, d, e and f..... | | | | | 100% |

*Compute percentages by dividing amounts in column C, lines a through f, by amount in column C, line h.



PART III—COMPUTATION OF COAL SUBSTITUTION (Continued) *(To be completed by a corporation that checked box D on page 1.)*

| | | |
|--|----|--------|
| 3. Enter percentage of BTUs produced by sources other than coal in base year (from line 1g, column D)..... | 3 | |
| 4. Enter percentage of BTUs produced by sources other than coal in tax year (from line 2g, column D)..... | 4 | |
| 5. Subtract line 4 from line 3. If there was no decrease in percentage of BTUs from sources other than coal from base year to tax year, then the corporation is not entitled to the coal credit | 5 | |
| 6. Enter percentage of BTUs produced by Kentucky coal in tax year (from line 2a, column D)..... | 6 | |
| 7. Enter percentage of BTUs produced by Kentucky coal in the base year (from line 1a, column D) | 7 | |
| 8. Subtract line 7 from line 6. If there was no increase in percentage of BTUs from Kentucky coal from base year to tax year, then the corporation is not entitled to the coal credit | 8 | |
| 9. Enter million BTUs input of Kentucky coal (from line 2a, column C)..... | 9 | |
| 10. Compare percentages on lines 5 and 8, and enter the lesser percentage..... | 10 | |
| 11. Multiply amount on line 9 by percentage on line 10. Enter result here..... | 11 | |
| 12. Enter average BTUs/unit (from line 2a, column B)..... | 12 | |
| 13. Divide line 11 by line 12. Enter result here | 13 | |
| 14. Enter average purchase price per ton (total from Part I, column D, divided by total from Part I, column A)..... | 14 | 00 |
| 15. Multiply line 13 by line 14. Enter result here..... | 15 | 00 |
| 16. Credit rate is 4.5%..... | 16 | x .045 |
| 17. Tax Credit: Multiply amount on line 15 by line 16..... | 17 | 00 |
| 18. LLET Credit —Enter appropriate amount from line 17 on Schedule TCS, Part II, Column E | 18 | 00 |
| 19. Corporation Income Tax Credit —Enter appropriate amount from line 17 on Schedule TCS, Part II, Column F | 19 | 00 |

(NOTE: This credit cannot reduce the LLET below the \$175 minimum.)