

INSTRUCTIONS—SCHEDULE KJDA-T

PURPOSE OF SCHEDULE—This schedule is used by a company which has entered into a service and technology agreement for a Kentucky Jobs Development Act (KJDA) project to maintain a record of the approved costs, wage assessments, in-lieu-of credits and tax credits (income tax and limited liability entity tax) for the duration of the service and technology agreement. This information is necessary for the company to determine the limitation of the tax credit for each year of the service and technology agreement and to allow the Kentucky Department of Revenue to verify that the credit has been properly computed.

GENERAL INSTRUCTIONS

A single Schedule KJDA-T, Tracking Schedule for a KJDA Project, shall be maintained for the duration of each KJDA project. Beginning with the first taxable year of the KJDA service and technology agreement, complete Columns A through G using a separate line for each year of the service and technology agreement. The company shall attach a copy of this schedule updated with current year information to the Schedule KJDA or Schedule KJDA-SP which is filed with the Kentucky tax return for the year.

For Form 720, all tax credits are entered on Schedule TCS, a tax credit summary. The total tax credits calculated may exceed the amount that can be used. Credits must be claimed in the order prescribed by KRS 141.0205. Total credits claimed cannot reduce the LLET below the \$175 minimum. Total credits claimed cannot reduce the income tax liability below zero.

SPECIFIC INSTRUCTIONS

Column A—Enter on each line the ending date (month and year) of the taxable year for which the information requested in Columns B through G is entered.

Column B—For the taxable year that includes the activation date of the service and technology agreement, enter 50 percent of the total start-up costs as verified by the Kentucky Economic Development Finance Authority. For each year thereafter, if the amount entered in Column F for the prior year exceeds the amount entered in Column G for the prior year, enter the difference. If the amount entered in Column G for the prior year equals the amount entered in Column F for the prior year, enter zero (-0-).

Column C—Enter 50 percent of rental payments made during the taxable year as set forth in the service and technology agreement.

Column D—Enter the total amount of employee wage assessments (both the state and local portion) withheld from the salaries of employees during the taxable year.

Column E—If the local jurisdiction where the project is located elected to provide in-lieu-of credits as provided by KRS 154.024-150(1) and (2), enter the amount of in-lieu-of credits received during the taxable year.

Column F—Enter the result of adding the amounts entered in Columns B and C and subtracting the amounts entered in Columns D and E. Also, enter on Schedule KJDA, Part III, Line 2 or Schedule KJDA-SP, Part I, Line 8, whichever is applicable.

Column G—The KJDA tax credit is applied against the corporation income tax imposed under KRS 141.040 and/or the limited liability entity tax imposed under KRS 141.0401. The tax credit calculated for each tax can be different; however, for tracking purposes, the maximum amount used against either tax is recorded as amount claimed. Enter the greater of Column E or Column F from Schedule TCS for this project.