

INSTRUCTIONS—SCHEDULE IEIA-T

PURPOSE OF SCHEDULE—This schedule is used by a company that has entered into an agreement pursuant to the Incentives for Energy Independence Act as provided by KRS 154.27–010 to 090 to maintain a record of the approved costs permitted to be recovered through: (i) Kentucky income tax imposed by KRS 141.040 or 141.020, and the limited liability entity tax imposed by KRS 141.0401; or (ii) wage assessments.

GENERAL INSTRUCTIONS

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

For Form 720, all tax credits are entered on Schedule TCS, Tax Credit Summary Schedule. The total tax credits calculated may exceed the tax credits 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, day and year) of the taxable year for which the information in Columns B through E is entered.

Column B—For the first taxable year of the agreement, enter the approved incentive to be recovered by wage assessments as provided in the Tax Incentive Agreement. For each subsequent year: (i) if the amount entered in Column B for the prior year exceeds the amount entered in Column D for the prior year, enter the difference; or (ii) if the amount entered in Column D for the prior year equals the amount entered in Column B for the prior year, enter zero (–0–).

Column C—For the first taxable year of the agreement, enter the approved incentive to be recovered by tax credits against income tax and LLET as provided in the Tax Incentive Agreement. For each subsequent year: (i) if the amount entered in Column C for the prior year exceeds the amount entered in Column E for the prior year, enter the difference; or (ii) if the amount entered in Column E for the prior year equals the amount entered in Column C for the prior year, enter zero (–0–).

Column D—Enter the IEIA wage assessments withheld during the current year. IEIA wage assessments taken cannot exceed the balance of the incentive in Column B.

Column E—The IEIA project tax credit is applied against the income tax imposed by KRS 141.040 or KRS 141.020 and the limited liability entity tax imposed by KRS 141.0401. The tax credit applied against the corporation income tax imposed by KRS 141.040 or the LLET imposed by KRS 141.0401 can be different; however, for tracking purposes, the larger amount used against either tax is recorded as the amount claimed. Enter the greater of Column E or Column F from Schedule TCS for this project.