

740NP-WH-P

40A201-WHP (10-13)

Commonwealth of Kentucky
DEPARTMENT OF REVENUE



Taxable Year Ending

____/____
Mo. Yr.

**UNDERPAYMENT AND LATE PAYMENT
OF ESTIMATED TAX ON FORM 740NP-WH**

- See instructions.
- Attach to Form 740NP-WH.

Name of Pass-through Entity	Federal Identification Number _____	Kentucky Corporation/LLET Account Number (if applicable) _____
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PART I—FIGURING THE UNDERPAYMENT AND PENALTY

(1) Enter the number of individual partners, members or shareholders whose income tax liability on Form 740NP-WH, line 9 exceeds \$500.....	1	
(2) Enter the number of corporate partners or members whose income tax liability on Form 740NP-WH, line 9 exceeds \$5,000.....	2	
(3) Enter the income tax liability from Form 740NP-WH, line 9.....	3	00
(4) Percentage of liability required to be prepaid is 70%	4	x.70
(5) Multiply line 3 by line 4	5	00
(6) Statutory exemption (number of corporate partners or members on line 2 multiplied by \$5,000).....	6	00
(7) Enter the total tax payments from Form 740NP-WH, lines 10 and 12.....	7	00
(8) Line 5 less lines 6 and 7.....	8	00
(9) Penalty percentage is 10%	9	x.10
(10) Multiply line 8 by line 9. This is the amount of the penalty for underpayment of estimated tax (minimum penalty \$25). Enter on this line and on Form 740NP-WH, Tax Payment Summary.....	10	00

Purpose of Form—This form is to be used by a pass-through entity required to make a declaration and payment of estimated tax for the taxable year as provided by KRS 141.206(6) and KRS 141.207 to: (i) compute the underpayment penalty as provided by KRS 141.990; and (ii) compute the interest on any late payment or underpayment of an estimated tax installment as provided by KRS 141.985.

PART I—FIGURING THE UNDERPAYMENT AND PENALTY

KRS 141.207(4) provides that a pass-through entity required to make a declaration and payment of estimated tax shall be subject to the penalty provisions of KRS 131.180 and 141.990.

Line 1—Enter the number of individual partners, members or shareholders whose tax liability on Form 740NP-WH, Line 9 exceeds \$500. **“Individual” means an individual, estate or trust.**

Line 2—Enter the number of corporate partners or members whose tax liability on Form 740NP-WH, Line 9 exceeds \$5,000.

Line 3—Enter from Form 740NP-WH, Line 9 the total tax liability of individual partners, members or shareholders whose liability exceeds \$500, and corporate partners or members whose liability exceeds \$5,000.

Line 5—Multiply Line 3 by the percentage on Line 4.

Line 6—Multiply \$5,000 by the number of corporate partners or members on Line 2.

Line 7—Enter the total estimated tax payments from Form 740NP-WH, Lines 10 and 12.

Line 8—Enter the amount from Line 5 less the amounts on Lines 6 and 7.

Line 10—Multiply the amount on Line 8 by the percentage on Line 9. Enter the amount on this line and on Form 740NP-WH, Tax Payment Summary.

PART II—LATE PAYMENT INTEREST

KRS 141.985 provides that if the tax imposed by this chapter on any installment or portion of the tax is not paid on or before the date prescribed for its payment, there shall be collected, as part of the tax, interest upon the unpaid amount at the tax interest rate as defined in KRS 131.010(6) from the date prescribed for its payment until payment is actually made to the department.

Line 1—Enter from Form 740NP-WH, Line 9 the total tax liability of individual partners, members or shareholders whose liability exceeds \$500. **“Individual” means an individual, estate or trust.**

Line 2—Enter from Form 740NP-WH, Line 9 the total tax liability of corporate partners or members whose liability exceeds \$5,000.

Line 3—Multiply the number of corporate partners or members included on Part II, Line (2) by \$5,000.

Line 4—Enter Line 2 less Line 3.

Line 5—Enter 25% of the amount on Line 1 in Columns A, B, C and E.

Line 6—Enter 50% of the amount on Line 4 in Column B, and 25% of the amount on Line 4 in Columns C and D.

Line 7—Enter the total of Lines 5 and 6 in each column.

Line 8—Enter the total estimated tax paid for each installment period included on Form 740NP-WH, Lines 10 and 12.

For a calendar year taxpayer, enter estimated tax payments as follows: (i) if the declaration payment was made on or before April 15 of the taxable year, enter the payment in Column A; (ii) if the declaration payment was made after April 15 but on or before

June 15 of the taxable year, enter the payment in Column B; (iii) if the declaration payment was made after June 15 but on or before September 15 of the taxable year, enter the payment in Column C; (iv) if the declaration payment was made after September 15 but on or before December 15 of the taxable year, enter the payment in Column D; (v) if the declaration payment was made after December 15 but on or before January 15 of the succeeding taxable year, enter the payment in Column E; or (vi) if the declaration payment was made after January 15 of the succeeding taxable year, do not enter the payment on Line 8. **Note:** *If a payment date falls on a holiday or weekend, the applicable payment date is the next business day.*

Fiscal Year: If Form 740NP-WH is for a fiscal year, enter the estimated tax payments as follows: (i) if the declaration payment was made on or before the 15th day of 4th month, enter the payment in Column A; (ii) if the declaration payment was made after the 15th day of the 4th month but on or before the 15th day of 6th month, enter the payment in Column B; (iii) if the declaration payment was made after the 15th day of the 6th month but on or before the 15th day of 9th month, enter the payment in Column C; (iv) if the declaration payment was made after the 15th day of the 9th month but on or before the 15th day of 12th month, enter the payment in Column D; (v) if the declaration payment was made after the 15th day of the 12th month but on or before the 15th day of the 1st month in the succeeding taxable fiscal year, enter the payment in Column E; (vi) if the declaration payment was made after the 15th day of the 1st month in the succeeding taxable fiscal year, do not enter the payment on Line 8.

For Column A only, enter the amount from Line 8 on Line 12.

Line 9—Enter the amount from Line 15 of the preceding column. This line does not apply to the first installment.

Line 10—Enter the total of Lines 8 and 9. This line does not apply to the first installment.

Line 11—Enter the total of Lines 13 and 14 of the preceding column. This line does not apply to the first installment.

Line 12—Enter the amount of Line 10 less Line 11. If zero or less enter zero (-0-). For the first installment, enter the amount from Line 8.

Line 13—If the amount on Line 12 is zero, enter the amount of Line 11 less Line 10; otherwise enter zero (-0-). This line does not apply to the first installment.

Line 14—If the amount on Line 12 is less than or equal to Line 7, enter the amount on Line 7 less Line 12.

Line 15—If the amount on Line 7 is less than Line 12, enter the amount on Line 12 less Line 7.

Line 16—Enter the date the underpayment on Line 14 was paid or the 15th day of the fourth month after the close of the taxable year, whichever is earlier. A payment of estimated tax is applied against unpaid required installments in the order in which the installments are required to be paid, regardless of the installment to which the payment pertains. **Note:** *If the 15th day of the fourth month after the close of the taxable year falls on a holiday or weekend, the applicable date is the next business day.*

Line 17—Enter the interest due on the tax underpayment on Line 14, Columns A through E. If the pass-through entity has more than one payment for the underpayment, attach a separate computation for each payment. The interest rate is 6 percent for calendar year 2013. The interest rate for 2014 is available online at www.revenue.ky.gov or you may contact the Department of Revenue at (502) 564-8139.

Line 18—Enter the total of the amounts on Line 17, Columns A through E. Enter on this line and on Form 740NP-WH, Tax Payment Summary.