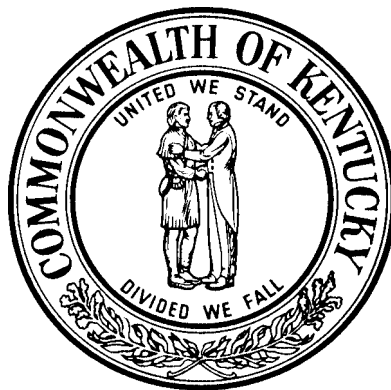


**Property Tax Forms and Instructions
for
Public Service Companies
2003**



COMMONWEALTH OF KENTUCKY

DEPARTMENT OF PROPERTY VALUATION

REVENUE CABINET

TAXPAYER ASSISTANCE AND MAILING ADDRESS

Kentucky Revenue Cabinet
Department of Property Valuation
Public Service Branch, Station 32, Fourth Floor
200 Fair Oaks Lane
Frankfort, KY 40620
(502) 564-8175
(502) 564-8192 (fax)
(502) 564-4459 (Fax on Demand)
www.revenue.ky.gov (Internet)
krcwebresponsepublicservice@mail.state.ky.us (e-mail)

The following property tax returns and schedules are included in this packet.

| | |
|---------------------|--|
| Revenue Form 61A200 | Public Service Company Property Tax Return |
| Schedule E | Filing Extension Application |
| Schedule G | Report of Capital Stocks |
| Schedule H | Report of Funded Debt |
| Schedule I | Business Summary by Taxing District |
| Schedule J | Property Summary by Taxing District |
| Schedule K | Operating Property Listing by Taxing District |
| Schedule K2 | Nonoperating Property Listing by Taxing District |
| Schedule L | Report of Property and Business Factors |
| Schedule N1-2 | Report of Kentucky Leased Real and Personal Property |
| Schedule P1-6 | Report of Operations for Ad Valorem Tax |

The following property tax returns and schedules are available from *www.revenue.ky.gov* or upon request.

| | |
|------------------------|--|
| Schedule L2 | Report of Property and Business Factors Commercial Passenger and Cargo Airlines |
| Schedule M | Report of Property and Business Factors for Interstate Railroad and Sleeping Car Companies |
| Schedule N | Report of Kentucky Leased Real and Personal Property |
| Schedule O | Railroad Private Car Mileage Report |
| Schedule P | Report of Operations for Ad Valorem Tax |
| Schedule Q | Supplemental Report of Operations for Contained and Residential Landfills |
| Schedule R | Report of Property Subject to the Pollution Control Tax Exemption |
| Schedule S | Filing Requirements for Commercial Passenger and Cargo Airlines |
| Schedule T | Report of Reseller Leasing Form |
| Schedule U | Industrial Revenue Bond Property |
| Schedule W | Wireless Telephone Provider Report |
| Revenue Form 61A209 | Public Service Company Sales |
| Revenue Form 61A210 | Cable Television Company Sales |
| Revenue Form 41A720-CI | Application for Coal Incentive Tax Credit |

**The Kentucky Revenue Cabinet
Mission Statement**

The mission of the Kentucky Revenue Cabinet is to . . .

Provide courteous, accurate and efficient services for the benefit of the Commonwealth and administer Kentucky tax laws in a fair and impartial manner.

* * * * *

The Kentucky Revenue Cabinet does not discriminate on the basis of race, color, national origin, sex, religion, age or disability in employment or the provision of services.

CLASSIFICATION OF PUBLIC SERVICE PROPERTY

The Revenue Cabinet prescribes the following classification of property to be used by the public service companies.

| Type of Property | Classification |
|--|-------------------------|
| Unmined Coal | Real Estate |
| Leasehold | Real Estate |
| Oil & Gas Wells | Real Estate |
| Pipelines (Transmission) | Real Estate |
| Conduits | Real Estate |
| Stored Gas, Oil & Coal (Noncurrent) | Real Estate |
| Stored Gas (Current) | Tangible |
| Gas Compressors | Tangible |
| Oil Lifting Units | Tangible |
| Oil Storage Tanks | Tangible |
| Television Cable | Tangible |
| Gathering Lines | Tangible |
| Electric Transmission Lines | Tangible |
| Electric Distribution Lines | Tangible |
| Meters & Regulators | Tangible |
| Underground Cables | Tangible |
| Telephone Lines | Tangible |
| Wire in Underground Conduits | Tangible |
| Towers | Tangible |
| Electric Substations/Transformers | Manufacturing Machinery |
| Machinery & Equipment Used in the Manufacture of Gas | Manufacturing Machinery |
| Water Treatment Equipment | Manufacturing Machinery |
| Property Certified Under KRS 224.01-300 by Sales & Use Tax | Pollution Control |

For other types of property please see KRS 132.020 and KRS 132.200.

REVENUE CABINET
DEPARTMENT OF PROPERTY VALUATION
FRANKFORT, KENTUCKY 40620



IMPORTANT—DO NOT DESTROY

(This packet contains Property Tax Returns and Instructions)



INSTRUCTIONS FOR FILING PUBLIC SERVICE COMPANY PROPERTY TAX RETURN

INTRODUCTION

This packet has been designed for public service companies who are required by KRS 136.120 through KRS 136.180 to file Kentucky property tax returns. It contains the necessary returns, schedules and instructions for this purpose.

WHO MUST FILE (KRS 136.120)

In accordance with state law, every railway company, sleeping car company, chair car company, dining car company, gas company, water company, ferry company, bridge company, street railway company, interurban electric railroad company, express company, electric light company, electric power company, telephone company, telegraph company, commercial air carrier, air freight carrier, pipeline company, common carrier water transportation company, privately owned regulated sewer company, cable television company, municipal solid waste disposal facility, railroad car line company, cellular telephone company, coin-operated telephone, 2-way radio telephone and every other like company, business or association performing any public service shall file property tax returns, schedules, regulatory reports and other such facts as the Department of Property Valuation may require.

The Department of Property Valuation shall have the sole responsibility to value and assess all of the property of every corporation, company, association, partnership, or person performing any public service, including those mentioned above and all others to whom this section may apply.

WHAT TO FILE (KRS 136.130–KRS 136.140)

All public service companies are required to file Revenue Form 61A200, Public Service Company Property Tax Return, and all accompanying schedules (E through W). In addition to these returns, any public service company that is regulated in any capacity by a federal or Kentucky authority **must** submit a copy of the annual report filed with that authority. **Also, all companies must submit a copy of their annual report to stockholders and/or parent company annual report.** Companies who have bought or sold any operating property must include detailed information regarding the transaction.

All returns, reports and schedules shall cover a period of 12 months ending December 31. Taxpayers may substitute individual schedules on taxpayer form as long as all information requested is supplied.

| Type of Company | Supplementary Reports Required |
|-------------------------|--|
| Airlines & air freight | Stockholders report & U.S. Department of Transportation Form RSPA 41 |
| Cable television | Annual report to stockholders & audited financial statements |
| Cellular telephone | KY Public Service Commission annual report & stockholders annual report & FCC annual report for cellular communication licensees |
| Coin-operated telephone | Revenue Form 61A208 & financial statements |
| Electric utility | KY Public Service Commission annual report & FERC annual report & stockholders report |
| Gas utility | |
| Gas transmission | |
| Gas & electric utility | |
| Landfills | Annual report to stockholders & audited financial statements |
| Oil transmission | FERC annual report & stockholders report |
| Operator services | |
| Radio common carriers | KY Public Service Commission annual report & report to stockholders |
| Railroads | ICC annual report & stockholders report |
| Rural electric co-ops | REA annual report & stockholders report |
| Rural telephone co-ops | FCC (M) annual report & stockholders report |
| Telecommunications | FCC (M) annual report & stockholders report & KY Public Service Commission report |
| Privately owned sewer | KY Public Service Commission annual report |
| Water | KY Public Service Commission annual report & stockholders annual report |

WHEN TO FILE

All public service companies as specified in KRS 136.120(1) shall make, file and deliver to the Department of Property Valuation on or before April 30 of each year the required tax returns, schedules, regulatory reports and other such facts covering the preceding calendar year.

WHERE TO FILE

All tax returns, schedules and regulatory reports must be mailed to the following address:

Kentucky Revenue Cabinet
Department of Property Valuation
Public Service Branch, Station 32, Fourth Floor
200 Fair Oaks Lane
Frankfort, KY 40620

FILING EXTENSIONS (KRS 136.130)

A taxpayer may be granted a 30-day extension for filing the public service company property tax return if it requests the extension before the due date of the return and includes with the extension request a report of any increases or decreases in property of \$50,000 or more in any taxing jurisdiction.

Upon written application, the Department of Property Valuation **may** grant an extension when in its judgment an extension is deemed necessary and proper.

No extension will be granted beyond May 30. See Schedule E.

LATE FILING PENALTY (KRS 132.290)

Any public service company that fails to timely complete, file and deliver the required tax return, schedules and regulatory reports on or before the due date, shall pay a minimum penalty of 10 percent of the total taxes due.

PENALTY FOR NONCOMPLIANCE (KRS 136.150, KRS 136.990, KRS 132.290)

If any public service company fails to report as required by KRS 136.130 and KRS 136.140 on or before April 30 of each year, the Department of Property Valuation shall ascertain the required facts and determine the assessment values in such a manner and by such means as it deems proper, at the cost of the company failing to comply with state law.

The penalty for failure to file is 20 percent of the total taxes due.

Furthermore, any public service company, or officer thereof, that willfully fails or refuses to make, file and deliver reports as required by KRS 136.130 and KRS 136.140 shall be fined \$1,000, and \$50 for each day the reports are not made after April 30 of each tax year. In addition, civil action may be brought to compel the company or officer thereof to make the required reports.

DETERMINATION OF THE ASSESSMENT (KRS 136.160)

Each year the Department of Property Valuation shall determine the fair cash value of the operating property (real estate, tangible and franchise) of a public service company as a unit. This unit value shall then be apportioned to Kentucky based on the average of the property factor and the business factor.

The property factor shall fairly reflect the amount of operating property owned and/or leased in Kentucky compared to the total amount of operating property owned and/or leased everywhere. The business factor shall fairly reflect the utilization of the operating property owned and/or leased in Kentucky compared to the utilization of operating property owned and/or leased everywhere. These factors may be a single factor or an average of several factors.

The nonoperating tangible and nonoperating intangible property of public service companies shall be valued separately using the same fair cash value standard as utilized by the county assessor. The value is **not** apportioned.

Public service companies that own mineral resources that are reported on Revenue Forms 62A024, Undeveloped Oil and Gas Property Tax Return; 62A377-A, Mineral Property Report and Mineral Owners' Tax Return on Unmined Coal; 62A384, Oil Property Tax Return; and 62A384-G, Natural Gas Property Tax Return, must include copies of these reports with the public service company tax return. The assessment for mineral property is considered nonoperating real estate and will be in addition to the assessment for a company's operating property. The mineral property must be itemized on Schedule K in order to situs such property.

ALLOCATION OF THE ASSESSMENT (KRS 136.170)

Once the operating property is valued as a unit, the department shall allocate the assessed value in this state among the county, school, city and/or other special taxing jurisdictions.

Nonoperating tangible property shall be allocated to the county, school, city and/or other special taxing jurisdictions where the property is located.

Nonoperating intangible property is taxable for state purposes only at the same rate as the intangible property of other taxpayers not performing public services.

NOTIFICATION OF ASSESSMENT (KRS 136.180)

Each year the Department of Property Valuation shall determine the assessed value of the operating property and other property of a public service company and notify the company by mail of the assessment amount and the state tax liability.

Once the valuation has been finalized, the Department of Property Valuation shall immediately certify the assessment to the county clerk of each county in which any of the operating property or nonoperating tangible property is liable to local taxation. The county clerk shall then certify the assessment to the proper collecting officer of the county, school, city and/or special taxing jurisdiction for collection.

PROTESTING YOUR ASSESSMENT (KRS 131.110, KRS 136.180(2), KRS 134.590 and 103 KAR 1:010)

The Department of Property Valuation is required to mail to the taxpayer a notice of any property assessed. The assessment shall be final if not protested in writing to the department within 45 days from the date of the notice. Such protest shall be accompanied by a supporting written statement setting forth the grounds upon which the protest is made. The supporting statement must set forth whether the protest is based on a factual disagreement and/or disagreement in the interpretation of the applicable statutes. If there are disputed factual issues, the taxpayer must provide financial statements, records, assessments or other documents which will allow the Kentucky Revenue Cabinet some basis for reconsideration. Further, the statement must clearly identify the specific portion(s) of the assessment to which the protest relates.

Effective July 15, 1998, no appeal shall delay the collection or payment of taxes based upon the assessment in controversy. The taxpayer shall pay all state, county and other local jurisdictional taxes due on the valuation which the taxpayer claims as the true value as stated in the protest filed under KRS 131.110. Once the appeal is finalized and the valuation finally determined, the taxpayer shall be billed for any additional tax and interest (at the rate as defined in KRS 131.010(6)) from the date the tax would have become due if no appeal had been taken. The provisions of KRS 134.390 shall apply to the tax bill.

Per KRS 136.180(2), any unprotested portion (your claimed value) of the assessment becomes final at the end of the 45-day period. After the 45-day protest period expires, a notice of tax due for state taxes will be prepared and values will be certified to the local taxing jurisdictions for billing. Therefore, your protest letter must contain (1) a statement of claimed system unit value, (2) the Kentucky allocation factor, (3) the Kentucky assessment value, (4) the classification and certification of property to state and local taxing jurisdictions and (5) the basis by which the said values were derived.

After a timely protest has been filed, the taxpayer **may** request a conference with the department. The taxpayer may appear in person or by representative. All taxpayers represented by attorney or tax agent must file a power of attorney with the department. Further conferences may be held by mutual agreement. Consideration is given to additional information presented by the taxpayer at the conference.

If the taxpayer's protest of an assessment or refund denial cannot be resolved through correspondence and/or conferences, the Revenue Cabinet shall issue a written final ruling on any matter still in controversy to be mailed to the taxpayer. The ruling shall state that it is a final ruling of the Cabinet, the issues of controversy, the taxpayer's position, the Cabinet's position and the procedure for prosecuting an appeal to the Kentucky Board of Tax Appeals (KBTA).

The taxpayer may request a final ruling from the Revenue Cabinet at any time after filing a timely protest. When it is requested, the Cabinet shall issue such ruling within 30 days from the date the request is received.

After the final ruling has been issued, the taxpayer may appeal to the KBTA.

**KENTUCKY BOARD OF TAX APPEALS
(KRS 131.340—KRS 131.370, KRS 136.050,
103 KAR 1:010)**

If a taxpayer desires to appeal a final ruling of the Revenue Cabinet, the taxpayer must apply for a hearing before the KBTA within 30 days from the date of issuance of the final ruling.

The appeal must be filed in quintuplicate; contain a brief statement of the law and the facts in issue; contain the petitioner's position regarding the law, facts or both; and must

contain the petitioner's position regarding the Revenue Cabinet. The board will set a date for a formal hearing and notify the taxpayer.

On the basis of the hearing, briefs and other documents, the board will issue a written order which will affirm, reverse, modify or remand the final ruling, and will forward a copy of the order to the taxpayer and the Revenue Cabinet.

Assessments upheld by the board shall be due and payable 30 days after the date of the board's order. All taxes (state, county, school, city and other special taxing jurisdictions) found to be due on any protested assessment or portion thereof shall begin to bear interest at the appropriate rate per annum on the 61st day after the KBTA acknowledges receipt of the protest, but in no event shall interest begin to accrue prior to January 1 following April 30 of the year in which the returns, schedules and regulatory reports are due.

Any party aggrieved by a final order of the KBTA may, within 30 days after such order becomes final, file an appeal with the Franklin Circuit Court or the circuit court of the county in which the aggrieved party resides or conducts his place of business.

PAYMENT OF TAX (KRS 131.110 and KRS 136.050)

All state taxes assessed against any public service company under the provisions of KRS 136.120 to KRS 136.200 shall be due and payable 45 days after the state assessment has become final, unless otherwise protested. State taxes are payable to the "Kentucky State Treasurer."

If you intend to pay your state taxes assessed against a public service company by use of the Coal Incentive Tax Credit granted under KRS 141.110, you must file the Coal Incentive Tax Credit Certificate with this return.

All county, school, city and other special taxes shall be due and payable 30 days after a notice of tax due is issued by the designated collecting officer, unless otherwise protested.

FAILURE TO PAY TAX (KRS 136.050, KRS 136.990)

Every public service company that fails to pay its state, county, school, city and other special taxes when due shall be deemed delinquent, subject to a 10 percent penalty on the tax due and thereafter subject to interest at the appropriate rate as defined in KRS 131.010(6). In addition, a 20 percent cost of collection fee will be added to liabilities that have become final, due and owing.

Furthermore, any public service company that willfully fails to pay its taxes, penalty and interest, shall be fined \$1,000 and \$50 for each day the same remains unpaid to be recovered by indictment or civil action, of which the Franklin Circuit Court shall have jurisdiction.

AMENDED RETURNS

Adjustments to assessments will only be considered if amended data is supplied before the protest period expires or as part of the supporting documentation included with a protest.

To amend any portion of the return, submit a new schedule with "AMENDED," the date submitted and a signature and title of the person filing the amendment written on each page of the amended schedule or on a cover page.

| Type of Company | Property Tax Return and Schedule Required |
|---|--|
| Passenger & Cargo Airlines | 61A200 & Schedules G, H, I, J, K, K2, L2, N1–N3, P1–P6, R, S, U |
| Bargelines | 61A200 & Schedules G, H, I, J, K, K2, L, N1 & N2, P1–P6, R, U |
| Cable Television Companies | 61A200 & Schedules G, H, I, J, K, K2, L, N1 & N2, P1–3, P5–P9, R, T, U |
| Electric Utilities, Electric Power Companies & RECC | 61A200 & Schedules G, H, I, J, K, K2, L, N1 & N2, P1–P6, R, T, U, CI |
| Landfill Companies | 61A200 & Schedules G, H, J, K, K2, L, N1 & N2, P1–P6, Q, R, U |
| Railroad Companies | 61A200 & Schedules G, H, I, J, K, K2, M, N1 & N2, O, P1–P6, R, U |
| Sewer & Water Companies | 61A200 & Schedules G, H, I, J, K, K2, L, N1 & N2, P1–P6, R, T, U |
| Gas Utilities & Transmissions | 61A200 & Schedules G, H, I, J, K, K2, L, N1 & N2, P1–P6, R, T, U |
| Oil Transmission Companies | 61A200 & Schedules G, H, I, J, K, K2, L, N1 & N2, P1–P6, R, T, U |
| Ferry & Toll Bridges | 61A200 & Schedules G, H, I, J, K, K2, L, N1 & N2, P1–P6, R, T, U |
| Telecommunication Companies & RTCC | 61A200 & Schedules G, H, I, J, K, K2, L, N1 & N2, P1–P6, R, T, U |
| Towers | 61A200 & Schedules G, H, I, J, K, K2, L, N1 & N2, P1–P6, R, T |
| Cellular Telephone Companies | 61A200 & Schedules G, H, I, J, K, K2, L, N1 & N2, P1–P6, R, T, U, W |

Forms may be obtained from:

(502) 564-4459 (Fax on Demand)

www.revenue.ky.gov (Internet)

| Other Reports Required |
|---|
| <p>All companies are required to submit a complete copy of their Public Service Commission Annual Report. (KRS 136.130 and KRS 136.140)</p> <p>Also, a copy of stockholder's annual report, parent company's annual report, organization's financial statements, organizational chart and informational reports, copy of all sales/merger/exchange agreements and completion of the appropriate sales form (Revenue Form 61A209 or 61A210) are required as well as the other reports requested on page 1. (KRS 136.130 and KRS 136.140)</p> |

FILING EXTENSION APPLICATION



For Public Service Company Property Tax Return



| | |
|----------|--|
| GNC No. | |
| Postmark | |

► **File Before April 30, 2003**

In accordance with KRS 136.130(5)(6), the Kentucky Revenue Cabinet may grant a 30-day extension for filing the public service company property tax return when, in its judgment good cause exists and the request for extension is postmarked before the due date of the return and includes a report of any increases or decreases in property of \$50,000 or more in any taxing jurisdiction. **No extension will be granted beyond May 30.**

Taxpayer

Name 1 _____ Federal Identification No. _____
 Name 2 _____ Telephone No. () _____
 Address 1 _____ Fax No. () _____
 Address 2 _____ E-Mail _____
 City _____ State _____ ZIP Code _____
 Contact Person _____

Complete the following form. Indicate any increases or decreases in property of \$50,000 or more in any taxing jurisdiction as of December 31, 2001. If no qualifying changes occurred, check here.

| County Name | Tax Jurisdiction Name | Real Estate | Tangible Personalty |
|-------------|-----------------------|-------------|---------------------|
| | | \$ | \$ |
| | | \$ | \$ |
| | | \$ | \$ |
| | | \$ | \$ |
| | | \$ | \$ |
| | | \$ | \$ |
| | | \$ | \$ |
| | | \$ | \$ |

(continued on reverse)

I declare under penalties of perjury that this application, including any accompanying schedules and statements, has been examined by me and to the best of my knowledge and belief is a true, correct and complete return

 Signature Title Date

**INSTRUCTIONS
FOR
SCHEDULE G**

Capital Stocks Analysis

- (A) Enter the various issues of capital stock of the taxpayer, distinguishing separate issues of any general class if different in any respect.
- (D) Enter the total par value outstanding at the close of the year, including amounts in the hands of investors and all amounts held alive by the company in sinking or other funds.
- (E) Enter the total shares or par value held by the taxpayer in any fund or in the treasury at the close of the year.
- (G) Enter the **high** market trade price for the year ending December 31, 2002.
- (H) Enter the **low** market trade price for the year ending December 31, 2002.
- (I) If fair value is other than average of (G) and (H), give the method used to arrive at fair value.
- (J) Enter the fair market value of the outstanding capital stock by multiplying (F) and (I).

NOTE: If the capital stock is held by a parent corporation or holding company, complete the schedule for that organizational entity. Please indicate the name of the holding company or the parent corporation at the top of the form.

**INSTRUCTIONS
FOR
SCHEDULE H**

Funded Debt Analysis

- (A) List each obligation of the taxpayer under a separate line in Column (A), giving the name, description and character of the obligation.
- (C) In case of serial maturity, explain in a footnote.
- (D) Enter the total par value outstanding at the close of the year, including amounts in the hands of investors and all amounts held alive by the company in sinking or other funds.
- (E) Indicate the total par value of each issue held by the taxpayer at the close of the year, including amounts in treasury, pledged as collateral, and in sinking or other funds.
- (G) Enter the market interest rate.
- (H) Enter the **high** market trade price for the year ending December 31, 2002.
- (I) Enter the **low** market trade price for the year ending December 31, 2002.
- (J) If the fair value is other than average of (H) and (I), give the method used to arrive at fair value.
- (K) Enter the fair market value of the debt obligation by multiplying (F) and (J).

BUSINESS SUMMARY BY TAXING JURISDICTION



As of December 31, 2002

Page _____

Name of Taxpayer _____

INSTRUCTIONS ON REVERSE

| (1) Name of Taxing Jurisdiction | (2) Gross Revenues | (3) Customers/ Subscribers | (4) Pops | (5) Actual Mileage (pipe, lines, etc.) | (6) Departures | (7) Enplane Passengers | (8) Deplane Passengers | (9) Enplane Freight, Express and Mail | (10) Deplane Freight, Express and Mail |
|------------------------------------|-----------------------|----------------------------------|-------------|--|-------------------|---------------------------|---------------------------|---|--|
| | | | | | | | | | |
| Grand Totals | | | | | | | | | |

NOTE: The totals for each column must balance to the total Kentucky values indicated on Schedules L and L2.

Bargelines must list on this sheet the Kentucky waterways traveled. Kentucky waterways include the Ohio (90%), Mississippi (50%), Cumberland (100%), Tennessee (100%), Kentucky (100%), Green (100%), Big Sandy (50%) and Tradewater (100%) rivers.

**INSTRUCTIONS
FOR
SCHEDULE I**

BUSINESS SUMMARY BY TAXING JURISDICTION

This form must contain a summary of the business activity within each taxing jurisdiction measured by gross revenues, customers/subscribers, pops, actual mileage, pipeline miles, departures, enplane and deplane passengers, and enplane freight, express and mail.

- (1) Under "Name of Taxing Jurisdiction," list the county name first, next the school district(s) (county common or independent), then the cities, fire districts, watershed districts, soil conservation districts, garbage district, ambulance district and all other special taxing jurisdictions. A list of possible taxing jurisdictions is available from the Revenue Cabinet's Web site at www.revenue.ky.gov and from the Department of Property Valuation, Division of State Valuation.
- (2) Under the column "Gross Revenues," indicate the gross operating revenues generated from your public service operation in each taxing jurisdiction.
- (3) Under the column "Subscribers," indicate the number of subscribers/customers in each taxing jurisdiction. Cable television and telecommunication companies such as cellular, long distance carriers, resellers of WATS, 2-way radio, nonfacility-based long distance carriers must report the number of customers in each taxing jurisdiction along with mileage figures.
- (4) Under the column "Pops," indicate the number of persons within your licensed population area in each taxing jurisdiction.
- (5) Under the column "Actual Mileage," indicate the miles of pipeline, telephone lines, cable lines, total actual miles operated, etc., in each taxing jurisdiction.
- (6) Under the column "Departures," indicate the number of takeoffs from an airport in each taxing jurisdiction.
- (7) Under the column "Enplane Passengers," indicate the total number of passengers loaded.
- (8) Under the column "Deplane Passengers," indicate the total number of passengers unloaded.
- (9) Under the column "Enplane Freight, Express and Mail," indicate the total tons of freight, express and mail loaded.
- (10) Under the column "Deplane Freight, Express and Mail," indicate the total tons of freight, express and mail unloaded.

If the space provided on this form is not sufficient, attach a separate schedule. This schedule must be 8½ x 11" (commercial size). Print on the upper right corner the letter **I**. Computer-generated schedules are also acceptable. If a multiple county **I** is submitted, attach a summary sheet. Furthermore, taxpayers may also file this required information on a 3½" computer disk, formatted in a manner specified by the Department of Property Valuation. Contact the Department of Property Valuation, Division of State Valuation, for instructions.

SUBMIT ONE ORIGINAL COPY—DO NOT SEND ADDITIONAL COPIES

**INSTRUCTIONS
FOR
SCHEDULE J**

PROPERTY SUMMARY BY TAXING JURISDICTION

*This form must contain a summary of the amount of **operating and nonoperating property**, owned and/or leased, located in this state for each county, city and special taxing jurisdiction.*

Per KRS 136.120(2) property is classified in the same manner as property of nonpublic service companies (see KRS 132.020 and 132.200).

- (1) Taxpayers must file Revenue Form 61A200(J) for each taxing jurisdiction within each county. A list of possible taxing jurisdictions is available from the Revenue Cabinet's Web site at www.revenue.ky.gov and from the Department of Property Valuation, Division of State Valuation.
- (2) Under "Name of Taxing Jurisdiction," list the county name first, next the school district(s) (county common or independent), then the cities, fire districts, watershed districts, soil conservation districts, garbage district, ambulance district and all other special taxing jurisdictions.
- (3) Under the appropriate column heading, indicate the total reported value of property for each taxing jurisdiction.

If the space provided on this form is not sufficient, attach a separate schedule. This schedule must be 8½ x 11" (commercial size). Print on the upper right corner the letter **J**. Computer-generated schedules are also acceptable. Furthermore, taxpayers may also file this required information on a 3½" computer disk, formatted in a manner specified by the Department of Property Valuation. Contact the Department of Property Valuation, Division of State Valuation, for instructions.

SUBMIT ONE ORIGINAL COPY—DO NOT SEND ADDITIONAL COPIES

OPERATING PROPERTY LISTING BY TAXING JURISDICTION



As of December 31, 2002

Page _____

Name of Taxpayer _____

List of Property in _____ County _____

INSTRUCTIONS ON REVERSE

| (A) Description of Property (Including Address) <i>Separate Property by Class</i> | (B) Taxpayer's Original Cost | (C) Taxpayer's Net Book Value | (D) Taxpayer's Reported Value |
|--|---|--|--|
| | | | |

**INSTRUCTIONS
FOR
SCHEDULE K**

OPERATING PROPERTY LISTING BY TAXING JURISDICTION

This form must contain an inventory of the amount and kind of *operating property*, owned and/or leased, located in this state for each county, city and special taxing jurisdiction.

- (1) Taxpayers must file Revenue Form 61A200(K) for each taxing jurisdiction within each county. A list of possible taxing jurisdictions is available from the Revenue Cabinet's Web site at www.revenue.ky.gov and from the Department of Property Valuation, Division of State Valuation.
- (2) In Column (A), "Description of Property," report all real estate and tangible personalty owned and/or leased. This listing must be specific and detailed. Real estate should be listed as to location (i.e., address, legal description—number of acres, map number, lot and block number, dimensions of lots, type construction, age and dimensions of improvements, etc.) and the year acquired. Property should be reported using the classified rate structure from KRS 136.020. Tangible personalty should also be listed broken down into the same categories as required by regulatory commission accounting.

NOTE: All tangible property utilized by the company regardless of age, condition or book value must be reported, including property which has been fully depreciated.

- (3) In Column (B), "Taxpayer's Original Cost," report the total cost of the item described. This is to include any cost to improve this item subsequent to purchase. Total property here should equal Schedule P 1, Gross Book Value column.
- (4) In Column (C), "Taxpayer's Net Book Value," report the net book value (gross less accumulated depreciation) of each property. Total property listed here should equal Schedule P 1, Net Book Value column.
- (5) In Column (D), "Taxpayer's Reported Value," indicate, in the opinion of the taxpayer, the January 1 fair market value of the item described.

If the space provided on this form is not sufficient, attach a separate schedule. This schedule must be 8½ x 11" (commercial size). Print on the upper right corner the letter **K**. Computer-generated schedules are also acceptable. If a multiple county **K** is submitted, attach a summary sheet. Furthermore, taxpayers may also file this required information on a 3½" computer disk, formatted in a manner specified by the Department of Property Valuation. Contact the Department of Property Valuation, Division of State Valuation, for instructions.

SUBMIT ONE ORIGINAL COPY—DO NOT SEND ADDITIONAL COPIES

NONOPERATING PROPERTY LISTING BY TAXING JURISDICTION

As of December 31, 2002

Page _____

Name of Taxpayer _____

List of Property in _____ County _____

INSTRUCTIONS ON REVERSE

| (A) Description of Property (Including Address) <i>Separate Property by Class—Real Estate, Tangible Personalty and Intangible Property</i> | (B) Taxpayer's Original Cost | (C) Taxpayer's Net Book Value | (D) Taxpayer's Reported Value |
|---|---|--|--|
| | | | |

**INSTRUCTIONS
FOR
SCHEDULE K2**

NONOPERATING PROPERTY LISTING BY TAXING JURISDICTION

This form must contain an inventory of the amount and kind of *nonoperating property*, owned and/or leased, located in this state for each county, city and special taxing jurisdiction.

- (1) Taxpayers must file Revenue Form 61A200(K2) for each taxing jurisdiction within each county. A list of possible taxing jurisdictions is available from the Revenue Cabinet's Web site at www.revenue.ky.gov and from the Department of Property Valuation, Division of State Valuation.
- (2) In Column (A), "Description of Property," report all real estate, tangible personalty and intangible property, owned and/or leased. This listing must be specific and detailed. Real estate should be listed as to location (i.e., address, legal description—number of acres, map number, lot and block number, dimensions of lots, type construction, age and dimensions of improvements, etc.) and the year acquired. Property should be reported using the classified rate structure from KRS 136.020. Tangible personalty should also be listed broken down into the same categories as required by regulatory commission accounting.

NOTE: All tangible property utilized by the company regardless of age, condition or book value must be reported, including property which has been fully depreciated.

- (3) In Column (B), "Taxpayer's Original Cost," report the total cost of the item described. This is to include any cost to improve this item subsequent to purchase.
- (4) In Column (C), "Taxpayer's Net Book Value," report the net book value (gross less accumulated depreciation) of each property.
- (5) In Column (D), "Taxpayer's Reported Value," indicate, in the opinion of the taxpayer, the January 1 fair market value of the item described.

If the space provided on this form is not sufficient, attach a separate schedule. This schedule must be 8½ x 11" (commercial size). Print on the upper right corner the letter **K2**. Computer-generated schedules are also acceptable. If a multiple county **K2** is submitted, attach a summary sheet. Furthermore, taxpayers may also file this required information on a 3½" computer disk, formatted in a manner specified by the Department of Property Valuation. Contact the Department of Property Valuation, Division of State Valuation, for instructions.

SUBMIT ONE ORIGINAL COPY—DO NOT SEND ADDITIONAL COPIES

REPORT OF PROPERTY AND BUSINESS FACTORS

OPERATING AND NONCARRIER PROPERTY

For All Interstate Companies

As of December 31, 2002



Name of Taxpayer _____

INSTRUCTIONS ON REVERSE

| (A) PROPERTY FACTORS | | | | |
|---|----------------------------|-----------------------------------|-----------------------------|---------------------|
| | Total Everywhere Amount | Reference in Regulatory Report | Total in Kentucky Amount | Kentucky Percent |
| (1) Plant in Service (Investment) | | | | |
| (2) CWIP-Real | | | | |
| (3) CWIP-Personal | | | | |
| (4) CWIP-Manufacturing Machinery | | | | |
| (5) Materials and Supplies | | | | |
| (6) Inventories | | | | |
| (7) Operating Leased Property-Real @ Mkt. | | | | |
| (8) Operating Leased Property-Personal @ Mkt. . | | | | |
| (9) Operating Leased Property-Motor Vehicles @ Mkt. | | | | |
| (10) IRB-Real | | | | |
| (11) IRB-Personal | | | | |
| (12) IRB-Manufacturing Machinery | | | | |
| (13) Gross Book Value | | | | |
| (14) Depreciation | | | | |
| (15) Net Book Value | | | | |
| (B) PROPERTY FACTORS | | | | |
| | Total Everywhere Amount | | Total in Kentucky Amount | Kentucky Percent |
| (16) Access Lines | | | | |
| (17) Minutes Billed | | | | |
| (18) Wire Miles | | | | |
| (19) Total Actual Operated Miles | | | | |
| (20) Customers/Subscribers | | | | |
| (C) BUSINESS FACTORS | | | | |
| | Total Everywhere Amount | | Total in Kentucky Amount | Kentucky Percent |
| (21) Rate Base | | | | |
| (22) Gross Operating Revenue | | | | |
| (23) Net Operating Profit | | | | |
| (24) Customers/Subscribers | | | | |
| (25) Pops | | | | |
| (26) Revenue Ton Miles | | | | |
| (D) OTHER PROPERTY AND BUSINESS FACTORS | | | | |
| | Total Everywhere Amount | | Total in Kentucky Amount | Kentucky Percent |
| (27) Other _____ | | | | |
| (28) Other _____ | | | | |

INSTRUCTIONS FOR SCHEDULE L

| Type of Company | Report of Property and Business Factors Required | |
|--|--|---------------------------|
| | Property Factors | Business Factors |
| Barge Lines | 1–15 and 19 | 26, 27 and 28 |
| Cable Television Companies | 1–15, 18 and 20 | 22, 23 and 24 |
| Electric Utilities and Electric Power Companies | 1–15, 19 and 20 | 21, 22, 23, 24, 27 and 28 |
| Rural Electric Cooperatives | 1–15, 19 and 20 | 21, 22, 23, 24, 27 and 28 |
| Gas Utilities | 1–15, 19 and 20 | 21, 22, 23, 24, 27 and 28 |
| Gas Transmission Companies | 1–15 | 21, 27 and 28 |
| Oil Transmission Companies | 1–15 | 21, 27 and 28 |
| Local Exchange Companies | 1–15, 19 and 20 | 22, 23, 24, 27 and 28 |
| Cellular/PCS Telephone Companies | 1–15, 19 and 20 | 22, 23, 24, 25, 27 and 28 |
| Long-Distance Telephone Companies, including Resellers | 1–15 and 19 | 22, 23, 24, 27 and 28 |
| Rural Telephone Cooperatives | 1–15, 19 and 20 | 22, 23, 24, 25, 27 and 28 |
| Radio Common Carriers | 1–15, 19 and 20 | 22, 23, 24, 25, 27 and 28 |
| Operator Services | 1–15, 19 and 20 | 22, 23, 24, 27 and 28 |
| Railroad Companies | Use Schedule M | Use Schedule M |
| Towers | 1–15 | 22, 23 and 24 |

DEFINITION OF FACTORS

- (1) **Plant in Service (Investment):** Original cost of all operating property including capital leases except that listed in 2, 3, 4, 5, 6, 7, 8 and 9.
- (2) **Construction in Progress–Real:** Cost of real property under construction.
- (3) **Construction in Progress–Personal:** Cost of personal property under construction.
- (4) **Construction in Progress–Manufacturing Machinery:** Cost of manufacturing machinery under construction.
- (5) **Materials and Supplies:** Cost of materials and supplies.
- (6) **Inventories:** Cost of inventories, including but not limited to, gas stored underground, current and noncurrent.
- (7) **Operating Leased Property–Real:** Reported market value of operating leased real property from Schedule N, Column (I).
- (8) **Operating Leased Property–Personal:** Reported market value of operating leased personal property from Schedule N, Column (I).
- (9) **Operating Leased Property–Motor Vehicles:** Reported market value of operating leased motor vehicles from Schedule N, Column (I).
- (10) **IRB–Real:** Original cost of all operating real property purchased under industrial revenue bonds (IRB).
- (11) **IRB–Personal:** Original cost of all operating personal property purchased under industrial revenue bonds (IRB).
- (12) **IRB–Manufacturing Machinery:** Original cost of all operating manufacturing machinery property purchased under industrial revenue bonds (IRB).
- (13) **Gross Book Value:** Sum of factors 1, 2, 3, 4, 5, 6, 7, 8 and 9.
- (14) **Depreciation:** Depreciation attributable to the property in factor 10 as of December 31.
- (15) **Net Book Value:** Gross book value less depreciation (factor 10 minus factor 11).
- (16) **Access Lines:** Number of access lines owned and leased.
- (17) **Minutes Billed:** Total yearly number of minutes billed.
- (18) **Wire Miles:** Number of wire miles owned and leased.
- (19) **Total Actual Operated Miles:** Total miles actually operated during the prior calendar year.
- (20) **Customers/Subscribers:** Total number of customers or subscribers.
- (21) **Rate Base:** Basis for rate of return as established by the state or federal regulatory agency.
- (22) **Gross Operating Revenue:** All revenue related to public service operations. For telecommunications, Kentucky revenues are all receipts billed to Kentucky customers, including intrastate and interstate revenues.
- (23) **Net Operating Profit:** Operating revenues (factor 22) less operating expenses, income taxes and interest expense.
- (24) **Customers/Subscribers:** Total number of customers or subscribers.
- (25) **Pops:** Population in licensed area.
- (26) **Revenue Ton Miles:** One ton of revenue commodities transported one mile. The watercraft miles operated on each waterway trip multiplied by the tons of revenue commodities carried on that trip.
- (27) & (28) **Other Property and Business Factors:** Taxpayers may use, with the consent of the Revenue Cabinet, factors which would more fairly reflect the operating property operated, owned or leased in Kentucky compared to the utilization everywhere. Enter the factors here.

REPORT OF KENTUCKY OPERATIONS
OPERATING AND NONCARRIER PROPERTY
As of December 31, 2002

Name of Taxpayer _____

INSTRUCTIONS: Complete the following summary of Kentucky plant investment for your operation. Indicate the original cost, adjustments and net book values. The total property reported below must equal the total property values reported for all counties on Schedule K. Also, for interstate companies, the totals must agree with the totals found on Schedule L, Section A.

NOTE: Operating leased property and CWIP (construction work in progress) must be separated into real, tangible personal and manufacturing machinery property subclasses. Property classified as a pollution control facility must have received certification under KRS 224.01-300 prior to the January 1 assessment date. For a list of property which qualifies as commercial radio, television and telephonic equipment, contact the Department of Property Valuation.

| KENTUCKY PROPERTY INVESTMENT | | | | | | |
|---|---|-----------|-------------|--|-----------------------------|-------------------|
| | Gross Book Value, Beginning Balance | Additions | Retirements | Gross Book Value, Ending Balance | Accumulated Depreciation | Net Book Value |
| Land | | | | | | |
| Buildings & Leasehold Improvements | | | | | | |
| CWIP-Real Estate | | | | | | |
| Stored Oil, Gas, Coal, etc.-Noncurrent ... | | | | | | |
| Operating Leased Property-Real | | | | | | |
| IRB Property-Real | | | | | | |
| Noncarrier Property-Real | | | | | | |
| Plant Equipment | | | | | | |
| Property Held for Future Use | | | | | | |
| Plant Acquisition Adjustment | | | | | | |
| Completed Construction not Classified .. | | | | | | |
| CWIP-Personal | | | | | | |
| CWIP-Manufacturing Machinery | | | | | | |
| Leasehold Improvements-Personal | | | | | | |
| Operating Leased Property-Personal | | | | | | |
| Spare Parts | | | | | | |
| Furniture & Fixtures & Computers | | | | | | |
| Materials & Supplies | | | | | | |
| Business Inventory for Resale | | | | | | |
| Manufacturers Business Inventory | | | | | | |
| Manufacturing Machinery | | | | | | |
| Radio, Television & Telephonic Equip. . | | | | | | |
| Certified Pollution Control Facility Equip. | | | | | | |
| Certified Foreign Trade Zone | | | | | | |
| IRB Property-Personal | | | | | | |
| IRB Property-Manufacturing Machinery | | | | | | |
| Recycling Equipment | | | | | | |
| Miscellaneous Personal Property | | | | | | |
| Motor Vehicles-AppORTioned & Regular | | | | | | |
| Railroad Car Lines | | | | | | |
| Noncarrier Property-Personal | | | | | | |
| Other _____ | | | | | | |
| TOTAL | | | | | | |

**REPORT OF KENTUCKY VEHICLES,
CAR LINES AND WATERCRAFT**

As of December 31, 2002

KENTUCKY APPORTIONED VEHICLES

Did you file a 2003 Kentucky Apportioned Vehicle Return, Revenue Form 61A203? Yes No

If yes, what was the total Kentucky taxable value from page 1, line 29? \$ _____

What is your KYU number? _____

Provide the breakdown of the taxable value for the following categories of apportioned vehicles:

Owned Apportioned Vehicles \$ _____

Leased Apportioned Vehicles \$ _____ Total Annual Lease Payment Paid \$ _____

Total \$ _____

KENTUCKY REGULAR VEHICLES

Do you report, register and license any regular vehicles (nonapportioned) in the Commonwealth of Kentucky? Yes No

If yes, what was the total assessed value of these regular Kentucky vehicles? \$ _____

Provide the breakdown of the assessed value into the following categories:

Owned Vehicles \$ _____

Leased Vehicles \$ _____ Total Annual Lease Payment Paid \$ _____

Total \$ _____

SUPPLEMENTAL INFORMATION

Did you file a 2003 Public Service Company Property Tax Return for Railroad Car Lines, Revenue Form 61A202? Yes No

If yes, what was the Kentucky taxable value from page 1? _____

Did you file a 2003 Kentucky Watercraft Property Tax Return, Revenue Form 61A207? Yes No

BALANCE SHEET INFORMATION
As of December 31, 2002

Please submit internal financial statement (preferably audited) if available. Otherwise, prepare this schedule. Financial statements required should represent the entire unit, not just Kentucky portion.

| Line No. | Item | Amount for Current Year (Omit Cents) |
|----------|---|---|
| | ASSETS | |
| | Current Assets: | |
| 1. | Cash | |
| 2. | Temporary Investments | |
| 3. | Accounts Receivable (<i>Attach Separate Schedule Showing Detail</i>) | |
| 4. | Intercompany Accounts Receivable (<i>Attach Separate Schedule Showing Detail</i>) | |
| 5. | Inventory | |
| 6. | Other Current Assets (<i>Attach Separate Schedule Showing Detail</i>) | |
| 7. | Total Current Assets | |
| | Fixed Assets: | |
| 8. | Land | |
| 9. | Building | |
| 10. | Plant Equipment | |
| 11. | Unallocated Items | |
| 12. | Materials and Supplies | |
| 13. | Construction Work in Progress | |
| 14. | Other Fixed Assets | |
| 15. | Plant Adjustment | |
| 16. | Less: Accumulated Depreciation | |
| 17. | Total Fixed Assets | |
| | Other Assets: | |
| 18. | Other Assets (<i>Attach Separate Schedule Showing Detail</i>) | |
| 19. | Less: Accumulated Amortization | |
| 20. | Goodwill Less: Accumulated Amortization | |
| 21. | Total Other Assets | |
| 22. | Total Assets | |
| | LIABILITIES | |
| | Current Liabilities: | |
| 23. | Loans Payable | |
| 24. | Accounts Payable | |
| 25. | Other Current Liabilities | |
| 26. | Total Current Liabilities | |
| | Deferred Credits: | |
| 27. | Total Deferred Credits | |
| | Long-Term Debt: | |
| 28. | Total Long-Term Debt | |
| | Owner's Equity: | |
| 29. | Total Stock Issued | |
| 30. | Proprietor's Equity | |
| 31. | Retained Earnings | |
| 32. | Other Owner's Equity | |
| 33. | Total Owner's Equity | |
| 34. | Total Liabilities and Owner's Equity | |

RESULTS OF OPERATIONS
12 Months Ending December 31, 2002



Please submit internal financial statement (preferably audited) if available. Otherwise, prepare this schedule. Financial statements required should represent the entire unit, not just Kentucky portion.

| Line No. | Item | Amount for Current Year (Omit Cents) |
|----------|--|---|
| | Operating Income: | |
| 1. | Operating Revenue | |
| 2. | Cost of Goods Sold (<i>Attach Separate Schedule Showing Detail</i>) | |
| 3. | Operating Gross Profit | |
| 4. | Owner's Compensation | |
| 5. | Employees' Wages and Benefits | |
| 6. | Operating Lease Payments—Real (<i>Must Complete Schedule N1</i>) | |
| 7. | Operating Lease Payments—Personal (<i>Must Complete Schedule N2</i>) | |
| 8. | Operating Lease Payments—Motor Vehicles (<i>Must Complete Schedule P2</i>) | |
| 9. | Depreciation | |
| 10. | Amortization | |
| 11. | Taxes, Other Than Income | |
| 12. | All Other Deductions (<i>Attach Separate Schedule Showing Detail</i>) | |
| 13. | Total Deductions (Add Lines 4 Through 12) | |
| 14. | Operating Net Income | |
| | Other Income and Expenses: | |
| 15. | Other Income, Net (<i>Attach Separate Schedule Showing Detail</i>) | |
| 16. | Net Income Before Interest and Taxes | |
| 17. | Interest Income | |
| 18. | Interest Expense | |
| 19. | Net Income Before Taxes | |
| 20. | Income Taxes | |
| 21. | Deferred Income Taxes | |
| 22. | Net Income | |

Total Number of Employees: Full-time _____ Part-time _____ Total _____

Date of Organization or Purchase _____

Present Owner Purchased Operation, Give Name of Prior Owner

Purchase Price (Including all considerations and debt) _____

Date Service Began _____

Subscribers/Customers _____

Average Regular Subscriber/Customer Monthly Fee _____

Revenue and Expense for Five Previous Years

| Year Ending December 31, | 2001 | 2000 | 1999 | 1998 | 1997 |
|--|----------|----------|----------|----------|----------|
| (1) Gross Revenue | \$ _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ |
| (2) Operating Expenses | \$ _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ |
| (3) Operating Lease Payments | \$ _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ |
| (4) Depreciation | \$ _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ |
| (5) Amortization | \$ _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ |
| (6) Taxes Other Than Income | \$ _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ |
| (7) Operating Income = | \$ _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ |
| <i>(Line 1 Minus Lines 2 Through 6)</i> | | | | | |
| (8) Other Income Net | \$ _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ |
| (9) Interest Income | \$ _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ |
| (10) Interest Expense | \$ _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ |
| (11) Federal and State Income Taxes | \$ _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ |
| (12) NET INCOME = | \$ _____ | \$ _____ | \$ _____ | \$ _____ | \$ _____ |
| <i>(Line 7 Minus Lines 8 Through 11)</i> | | | | | |

SUPPLEMENTAL ACCOUNTING INFORMATION

| Part A | Amortization Term (in Years) | Amortization Method Used (Code) | Amount Capitalized During Year | Amount Amortized During Year |
|---|------------------------------|---------------------------------|--------------------------------|------------------------------|
| 1. Deferred System Development Costs | | | \$ | \$ |
| 2. Franchise Costs (Recorded as Assets) | | | \$ | \$ |
| 3. Goodwill | | | \$ | \$ |

Codes (1) Straight Line (2) Declining Balance (3) Double-Declining Balance (4) Sum-of-the-Years'-Digits (5) Other

| Part B | Total Capitalized | Amount Capitalized During Year | Use Life (Years) |
|--|-------------------|--------------------------------|------------------|
| 4. Capitalized Interest on System Construction | \$ | \$ | |

| Part C | Total Amount of Asset | Amount NOT Being Amortized | Amount Being Amortized |
|---|-----------------------|----------------------------|------------------------|
| 5. Deferred System Development Costs | \$ | \$ | \$ |
| 6. Franchise Costs (Recorded as Assets) | \$ | \$ | \$ |
| 7. Goodwill | \$ | \$ | \$ |

| Part D | Total Amount of Allocated Costs | Method Used to Allocate Costs to System (Code) |
|---------------------------------------|---------------------------------|--|
| 8. Overhead Costs Allocated to System | \$ | |

Codes (1) Per Number of Subscribers (2) Per Gross Revenues (3) Per Miles of Plant (4) Other

| Part E | Amount |
|--|--------|
| 9. Original Cost of Fixed Assets (Seller's Book Value) | \$ |
| 10. Portion of Purchase Price Allocated to Seller's Book Value | \$ |
| 11. Recorded Cost of Fixed Assets by Purchaser | \$ |

| Part F | Fixed Asset Classification | Amount | Useful Life (Years) | Fixed Asset Classification | Amount | Useful Life (Years) |
|--|----------------------------|--------|---------------------|----------------------------|--------|---------------------|
| 12. Estimated Useful Lives of Fixed Assets | | \$ | | | \$ | |
| | | \$ | | | \$ | |
| | | \$ | | | \$ | |
| | | \$ | | | \$ | |
| | | \$ | | | \$ | |

| Part G | Amount | Number of Persons |
|---|--------------|-------------------|
| 13. Salaries to Owners | \$ | |
| 14. Other Direct Payment Included in Total | Total Amount | Type |
| | \$ | |
| | | |
| | | |
| | | |
| | | |
| 15. Expense Payments to Spouse or Relatives | Total Amount | Type |
| | \$ | |
| | | |
| | | |
| | | |

- Type**
- | | |
|---------------------------|------------------------------|
| (1) Rent | (4) Payments for Supplies |
| (2) Payments for Services | (5) Travel and Entertainment |
| (3) Payment for Equipment | (6) Other |

**REPORT OF PROPERTY AND BUSINESS FACTORS
FOR INTERSTATE RAILROAD AND SLEEPING CAR COMPANIES**



To Accompany Public Service Company Property Tax Return

► *Print or Type Your Answers*

► *Instructions on Reverse*

| | | |
|------------------|--|---|
| Name of Taxpayer | | Return for year ending December 31, 2002 |
|------------------|--|---|

PART I—PROPERTY FACTORS

| | | | | | | |
|------------|----------------------------------|---|-------------------|--|------------------------------|--|
| M 1 | Distribution of Property: | | | | | |
| | | (A) Original Cost to December 31, 20____ | | (B) Changes in property since computation subsequent to December 31, 20____ | | |
| | | (1) Total Property | (2) Total Road | (1) Additions to Road | (2) Retirements from Road | (3) Net additions of Equip. and Gen. Exp. |
| | Total Everywhere | | | | | |
| | In Kentucky | | | | | |
| | Percent in Kentucky | | | | | |

| | | | | | |
|------------|--|--|------------------|-------------------|---------------------|
| M 2 | Distribution of Mileage: | | | | |
| | | | Total Everywhere | Total in Kentucky | Percent in Kentucky |
| | (A) Mileage owned, operated, leased and controlled | Main track | | | |
| | | All track excluding trackage rights | | | |
| | (B) Total mileage operated | Main track | | | |
| | | All track excluding trackage rights | | | |
| | (C) Mileage not operated | Main track | | | |
| | | All track excluding trackage rights | | | |

PART II—BUSINESS FACTORS

| | | | | | | | |
|------------|---------------|-------------------|------------------|------------|--------------------------|-------------------|------------------|
| (A) | Traffic Units | Total in Kentucky | Total Everywhere | (B) | Car and Locomotive Miles | Total in Kentucky | Total Everywhere |
| | Ton Miles* | | | | (1) Car miles* | | |
| | | | | | (2) Locomotive miles | | |
| | Total | | | | Total | | |
| | Percent | | 100% | | Percent | | 100% |
| | Tons Loaded | | | (C) | Gross Receipts* | | |
| | Tons Unloaded | | | | Percent | | 100% |

*Exclude amounts applicable to private cars which are individually taxed.

INSTRUCTIONS FOR SCHEDULE M

If the space provided on this form is not sufficient, attach a separate schedule. This schedule must be 8½ x 11" (commercial size). Print on the upper right corner the letter **M**. If another party uses your car mark and is responsible for payment of taxes for their railcars, provide name of responsible party.

M 1—DISTRIBUTION OF PROPERTY

Taxpayer is required to give:

- (A) The original cost to beginning of calendar year of:
 - (1) All property
 - (2) All property classified as road

 - (B) The changes in property during the calendar year:
 - (1) Additions to road
 - (2) Retirements from road
 - (3) Net additions or net retirements to equipment and general expenditures
-

M 2—DISTRIBUTION OF MILEAGE

Taxpayer is required to give main track mileage and all track mileage excluding trackage rights as of the close of the year for which the report is made for items (A), (B) and (C). The amounts on line (A) minus the amounts on line (B) should be equal to the amounts on line (C).

- (B) In this item, taxpayer's proportion of operated road held by it as a joint or common owner, or under a joint lease, or under any joint arrangement, must be included.
-

M 3—BUSINESS FACTORS

- (C) Gross receipts: Give amount of railway operating revenues assignable to Kentucky and total railway operating revenues. Give percent in Kentucky of this total railway operating revenues.

REPORT OF PROPERTY

SUBJECT TO THE POLLUTION CONTROL TAX EXEMPTION



In accordance with KRS 132.020, property certified as a pollution control facility as defined in KRS 224.01-300 is subject to an annual ad valorem tax for state purposes only of 15 cents per \$100 of assessment value. This exemption is extended to tangible personal property only that was approved and certificated as pollution control equipment by the Kentucky Revenue Cabinet, Business Tax Branch, Sales and Use Tax Section.

| Property Description | Certificate Number | Certificate Effective Date | Original Cost | Net Book Value |
|----------------------|--------------------|----------------------------|---------------|----------------|
| (1) | | | \$ | \$ |
| (2) | | | \$ | \$ |
| (3) | | | \$ | \$ |
| (4) | | | \$ | \$ |
| (5) | | | \$ | \$ |
| (6) | | | \$ | \$ |
| (7) | | | \$ | \$ |
| (8) | | | \$ | \$ |
| (9) | | | \$ | \$ |
| (10) | | | \$ | \$ |
| (11) | | | \$ | \$ |
| (12) | | | \$ | \$ |
| (13) | | | \$ | \$ |
| (14) | | | \$ | \$ |
| (15) | | | \$ | \$ |
| (16) | | | \$ | \$ |
| (17) | | | \$ | \$ |
| (18) | | | \$ | \$ |
| (19) | | | \$ | \$ |
| (20) | | | \$ | \$ |
| (21) | | | \$ | \$ |
| (22) | | | \$ | \$ |
| (23) | | | \$ | \$ |