

INSTRUCTIONS—SCHEDULE KIRA-T

PURPOSE OF SCHEDULE—This schedule is to be used by any company which has entered into a revitalization agreement for a Kentucky Industrial Revitalization (KIRA) project to maintain a record of the approved costs, wage assessment fees and income and license tax credits for the duration of the revitalization agreement. This information is necessary for the company to determine the limitation of the tax credit for each year of the revitalization agreement and to allow the Kentucky Department of Revenue to verify that the credit has been properly computed.

GENERAL INSTRUCTIONS

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

A corporation approved for more than one economic development project and that has total allowable credits for the taxable year greater than the corporation's income tax liability must complete Schedule TCS.

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 E is entered.

Column B—For the taxable year that includes the revitalization agreement date, enter 50 percent or 75 percent of the approved costs as verified by the Kentucky Economic Development Finance Authority. Refer to your agreement for the applicable percentage. For each year thereafter, if the amount entered in Column D for the prior year exceeds the combined total of income tax credit and corporation license tax credit claimed for the prior year in Column E, enter the difference.

Column C—Enter the total amount of employee wage assessment fees (both the state and local portion) withheld from the salaries of employees during the taxable year, or the appropriations received during the taxable year if an appropriation agreement was entered into in lieu of utilization of the wage assessment.

Column D—Enter the result of subtracting the amount entered in Column C from the amount entered in Column B. Also, enter on Schedule KIRA, line 4, or Schedule KIRA-SP, line 3, whichever is applicable.

Column E—Enter the amounts of income tax credit and corporation license tax credit in the applicable column. The income tax credit for C corporations will be the amount from Schedule KIRA, line 5. For S corporations and partnerships, the income tax credit amount will be the amount from Schedule KIRA-SP, line 4(a) or 4(b). The license tax credit amount for both C corporations and S corporations is the amount on Schedule KIRA-L, Part II, line 5.