

**SCHEDULE KIRA-L**

41A720-S32  
(12-02)

Commonwealth of Kentucky  
REVENUE CABINET

**TAX CREDIT COMPUTATION SCHEDULE**

**LICENSE TAX**

**(FOR A KIRA PROJECT OF CORPORATIONS)**

For taxable year ended

\_\_\_/\_\_\_/\_\_\_  
Mo. Yr.

Name of Corporation	Federal Identification Number -- -- / -- -- -- -- -- --	Kentucky Account Number -- -- -- -- --
Location of Project City _____ County _____	Date KIRA Revitalization Agreement was Executed ___/___/___ Mo. Day Yr.	Economic Development Project Number -- -- -- --

**PART I. Computation of Capital Employed Excluding Capital Employed from KIRA Project**

1. Capital employed subject to license tax from Form 720 or 720S, Part III, line 11 .....	1	
2. Less capital employed from KIRA project (see instructions) .....	2	
3. Capital employed subject to license tax excluding capital employed from KIRA project (line 1 minus line 2) .....	3	

**PART II. Computation of KIRA Tax Credit**

1. Enter total license tax liability from Form 720 or 720S, Part III, line 14 .....	1	
2. Compute license tax on amount from Part I, line 3 (line 3 x .0021) .....	2	
3. License tax liability attributable to KIRA project (subtract line 2 from line 1) .....	3	
4. Limitation (Column D from Schedule KIRA-T) .....	4	
5. Allowable KIRA license tax credit (lesser of line 3 or 4). Enter the amount from this line on Form 720, Part III, line 16 or Form 720S, line 15. Also, enter the amount from this line on Column E of Schedule KIRA-T .....	5	



Form 720, Kentucky Corporation Income and License Tax Return or Form 720S, Kentucky S Corporation Income and License Tax Return, including this schedule must be mailed to Economic Development Tax Credits, Corporation Tax Branch, Revenue Cabinet, P.O. Box 181, Frankfort, Kentucky 40602-0181.

## INSTRUCTIONS—SCHEDULE KIRA-L

**PURPOSE OF SCHEDULE**—This schedule is to be used by any corporation which has entered into a revitalization agreement for a Kentucky Industrial Revitalization Act (KIRA) project to determine the credit allowed against the Kentucky corporation license tax liability in accordance with KRS 136.0704 on the capital attributable to the project.

**GENERAL INSTRUCTIONS**—The corporation must first complete Form 720, Kentucky Corporation Income and License Tax Return, or Form 720S, Kentucky S Corporation Income and License Tax Return, and all appropriate schedules through Part III, line 14 to determine the Kentucky corporation license tax liability. The corporation must then complete Schedule KIRA-L to determine the KIRA corporation license tax credit.

### PART I, LINE 2 INSTRUCTIONS

If the corporation's only operation in Kentucky is the KIRA project, the amount entered on line 1 must be entered on line 2. If the corporation has operations in Kentucky other than the KIRA project, the corporation must attach schedules reflecting the computation of the total capital employed for the KIRA project in accordance with the following instructions and enter such amount on line 2.

**Formula Approved by the Revenue Cabinet**—In accordance with KRS 136.0704(4), the Revenue Cabinet approves the following formula to determine the capital attributable to the project: The same three factor formula provided by KRS 136.070(3)(a), used to determine total capital apportioned to Kentucky, except that the numerator of each respective factor shall be adjusted to include only the receipts, property and payroll attributable to the project. The resultant fraction should be multiplied by the total capital of the corporation reported on Form 720 or Form 720S, Part III, line 9, to determine the capital attributable to the project.



**Alternative Methods**—If the above method does not fairly represent an accurate calculation of the capital employed from the KIRA project, then the approved company shall use an alternative method approved by the Revenue Cabinet. A request for an alternative method must be submitted in writing to the address on the front page of this return. **Approval must be received in writing from the Revenue Cabinet in order for the alternative method to be used. A copy of the letter approving the alternative method must be attached to this schedule.**