

SCHEDULE CC

COAL CONVERSION TAX CREDIT

Taxable Year Ending

41A720CC
(10-05)

KRS 141.041

___ / ___
Mo. Yr.

Commonwealth of Kentucky
DEPARTMENT OF REVENUE

► **Attach this form to Form 720, Form 720s, Form 725 or Form 765.**

Name as shown on Form 720, form 720S, Form 725 or Form 765	Federal Identification Number ____-____-____	Kentucky Corporation Account Number ____-____-____
Location of coal conversion facility (street, city, county, state)		

(If more than one facility, complete a separate Schedule CC for each.)

USE OF UNIT—To qualify, the facility must: *(check appropriate box)*

- Generate steam or hot water for space heating or materials processing.
- Provide direct heat for industrial processes.

TYPE OF CONVERSION FOR WHICH CREDIT IS CLAIMED—To qualify, the facility must have: *(check appropriate box)*

- A.** Replaced a non-coal burning facility with a coal-burning facility.* Date Completed _____
- B.** Installed an additional facility capable of burning coal.* Date Completed _____
- C.** Converted a non-coal facility to a coal facility.* Date Completed _____
- D.** Substituted coal for other fuels in multi-fuel facility. Enter the calendar year used as base year _____. *Complete Parts I and III below.*

* Attach a statement describing in detail the type of facility in use previously and the type of facility in use after replacement, addition or conversion. *Complete Parts I and II below.*

PART I—SCHEDULE OF KENTUCKY COAL (Coal Subject to Taxation Under KRS Chapter 143) All corporations must complete.

Supplier	Supplier's Coal Severance ID Number	A Number of Tons Used	B Purchase Price of Tons Used	C Transportation Expense Included in B	D Net Cost (B Minus C)
a.					
b.					
c.					
d.					
e.					
f.					
TOTALS					

PART II—COMPUTATION FOR NEW COAL USERS *(To be completed by corporations that checked box A, B or C above.)*

1. Total from Part I, column D	1		
2. Amount of credit is 4.5%	2	x	.045
3. Multiply amount on line 1 by line 2 and enter here. Enter on the applicable line on Form 720, Form 720S, Form 725 or Form 765	3		

(NOTE: This amount cannot reduce the tax liability on Form 720, Form 720S, Form 725 or Form 765, Part IV, line 3 below the \$175 minimum.)

PART III—COMPUTATION OF COAL SUBSTITUTION *(Complete only if you checked box D above.)*

1. Base year fuel input.

Fuel	Unit	A Number of Units Used		B Million BTUs/Unit (Avg.)		C Million BTUs/Fuel	D Percent of BTUs Used*
a. Kentucky Coal	Tons	_____	x	_____	=	_____	_____
b. Non-Kentucky Coal	Tons	_____	x	_____	=	_____	_____
c. Natural Gas	MCF	_____	x	_____	=	_____	_____
d. Crude Oil	Bbls.	_____	x	_____	=	_____	_____
e. Fuel Oil	Gals.	_____	x	_____	=	_____	_____
f. _____	_____	_____	x	_____	=	_____	_____
g. TOTAL of c, d, e and f						_____	_____
h. TOTAL of a, b, c, d, e and f						_____	100%

*Compute percentages by dividing amounts in column C, lines a through f, by amount in column C, line h.

2. Tax year fuel input.

Fuel	Unit	A Number of Units Used (Avg.)		B Million BTUs/Unit		C Million BTUs/Fuel	D Percent of BTUs Used*
a. Kentucky Coal	Tons	_____	x	_____	=	_____	_____
b. Non-Kentucky Coal	Tons	_____	x	_____	=	_____	_____
c. Natural Gas	MCF	_____	x	_____	=	_____	_____
d. Crude Oil	Bbls.	_____	x	_____	=	_____	_____
e. Fuel Oil	Gals.	_____	x	_____	=	_____	_____
f. _____	_____	_____	x	_____	=	_____	_____
g. TOTAL of c, d, e and f						_____	_____
h. TOTAL of a, b, c, d, e and f						_____	100%

*Compute percentages by dividing amounts in column C, lines a through f, by amount in column C, line h.

PART III—COMPUTATION OF COAL SUBSTITUTION (Continued) *(Complete only if you checked box D above.)*

3. Enter percentage of BTUs produced by sources other than coal in base year (from line 1g, column D)	3	
4. Enter percentage of BTUs produced by sources other than coal in tax year (from line 2g, column D)	4	
5. Subtract line 4 from line 3. If there was no decrease in percentage of BTUs from sources other than coal from base year to tax year, then the corporation is not entitled to the coal credit	5	
6. Enter percentage of BTUs produced by Kentucky coal in tax year (from line 2a, column D)	6	
7. Enter percentage of BTUs produced by Kentucky coal in the base year (from line 1a, column D)	7	
8. Subtract line 7 from line 6. If there was no increase in percentage of BTUs from Kentucky coal from base year to tax year, then the corporation is not entitled to the coal credit	8	
9. Enter million BTUs input of Kentucky coal (from line 2a, column C)	9	
10. Compare percentages on lines 5 and 8, and enter the lesser percentage.....	10	
11. Multiply amount on line 9 by percentage on line 10. Enter result here	11	
12. Enter average BTUs/unit (from line 2a, column B)	12	
13. Divide line 11 by line 12. Enter result here	13	
14. Enter average purchase price per ton (total from Part I, column D, divided by total from Part I, column A)	14	
15. Multiply line 13 by line 14. Enter result here	15	
16. Amount of credit is 4.5%	16	x .045
17. Multiply amount on line 15 by line 16 and enter here. Enter on the applicable line on Form 720, Form 720S, Form 725 or Form 765	17	

(NOTE: This amount cannot reduce the tax liability on Form 720, Form 720S, Form 725 or Form 765, Part IV, line 3 below the \$175 minimum.)