



## INSTRUCTIONS—SCHEDULE TCS

### PURPOSE OF SCHEDULE

This schedule is to be used by **any corporation which has more than one economic development project and which has total allowable credits for the taxable year greater than the corporation's income tax liability** to reflect the amount of credit claimed for each project. *Economic development project* means a project authorized under the Kentucky Rural Economic Development Act (KREDA), the Kentucky Industrial Development Act (KIDA), the Kentucky Jobs Development Act (KJDA), the Kentucky Industrial Revitalization Act (KIRA), the Kentucky Reinvestment Act (KRA) or the Kentucky Economic Opportunity Zone (KEOZ). **Approved companies claiming tax credits for Skills Training Investment (STICA) must attach a copy of the final resolution received from the Bluegrass State Skills Corporation.**

### GENERAL INSTRUCTIONS

Due to legislation passed by the 2005 General Assembly, S corporations, limited liability partnerships (LLPs), limited liability companies (LLCs) or similar entities created with limited liability for the partners, are now taxed as corporations. The economic development credits are taken at the entity level and are not passed through to the shareholders/partners.

The corporation must first complete an applicable tax credit computation schedule (Schedule KREDA, Schedule KIDA, Schedule KJDA, Schedule KIRA, Schedule KRA or Schedule KEOZ) for each project. Approved companies claiming tax credits for Skills Training Investment (STICA) must attach a copy of the final resolution received from the Bluegrass State Skills Corporation. If the total allowable credits from all projects exceed the tax liability reflected on Form 720, Form 720S, Form 725 or Form 765, Part IV, line 3, the corporation must complete Schedule TCS to reflect the amount of tax credit claimed for the taxable year for each project.

### IMPORTANT

There is no requirement to utilize the credits from the various projects in any particular order. The credit claimed for each project may be all or a portion of the allowable credit for that project, but the total amount of credits claimed may not reduce the tax liability on Form 720, Form 720S, Form 725 or Form 765, Part IV, line 3 below the \$175 required minimum tax.

### LINE 1 INSTRUCTIONS

Complete a separate line for each project. Enter the appropriate information in Column A, B and C, and enter in D the allowable credit from the applicable tax credit computation schedule for each project. Enter in Column E the amount of the credit claimed for each project.