

SCHEDULE VERB

**VOLUNTARY ENVIRONMENTAL
REMEDATION TAX CREDIT
(Brownfields)
KRS 141.418**

41A720VERB
(10-05)

Commonwealth of Kentucky
DEPARTMENT OF REVENUE

Attach to Form 720, 720S, 725, 740, 765 or 765-GP.

See instructions on reverse.

Name of Business _____	Identification Number _____
Taxed as: <input type="checkbox"/> Corporation as defined in KRS 141.010(24) <input type="checkbox"/> General Partnership	Kentucky Corporation Account Number _____
<input type="checkbox"/> Individual <input type="checkbox"/> Other _____	_____
Location of Remediation Property _____	County Location _____

PART I—Computation of Allowable Tax Credit

1. Date certified	1	/ /
2. Certified remediation expenditures (not to exceed \$150,000)	2	
3. Maximum allowable credit per tax year (line 2 multiplied by 25% (.25))	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.)

General partnerships must also complete Schedule VERB (K-1) for each partner.

PART II—Amount of Credit Claimed

A Tax Year Credit Taken (Month/Year)	B Balance of VERB	C Amount of Credit Used
1. ___ / _____		
2. ___ / _____		
3. ___ / _____		
4. ___ / _____		
5. ___ / _____		
6. ___ / _____		
7. ___ / _____		
8. ___ / _____		
9. ___ / _____		
10. ___ / _____		
11. ___ / _____		

INSTRUCTIONS FOR SCHEDULE VERB

Purpose of Schedule—This schedule is to be used by taxpayers subject to the taxes under KRS 141.020 or KRS 141.040 to claim a credit for expenditures made for a qualifying voluntary environmental remediation property.

The Department for Natural Resources has determined that (1) the responsible parties are financially unable to carry out the obligations in KRS 224.01-400 and KRS 224.01-405; and (2) the property was acquired after March 8, 2005. The credit is for real property. Expenditures may carry over multiple tax periods and are submitted for certification upon completion of the project. Schedule VERB-S must be submitted to the Kentucky Department of Revenue listing all expenditures and attached invoices.

The credit is on a dollar-per-dollar basis up to a maximum \$150,000 in approved expenditures. The amount of the allowable credit for any taxable year is limited to 25 percent of the maximum credit approved (Part I, Line 2). The credit may be carried forward 10 years. The credit may first be claimed on the income tax return of the taxpayer filed for the taxable year that the credit was certified.

General Instructions—If the entity type is not listed, check the “Other” box and list the entity type.

Identification Number—For an individual, list the Social Security number; a general partnership, list the FEIN.

Part I Instructions

This will be completed by the Department of Revenue and mailed to the taxpayer.

Line 1—This is the date the credit is certified by the Department for Natural Resources.

Line 2—This is the amount of expenditures certified by the Department for Natural Resources.

Line 3—This is the maximum amount of credit allowed for any one taxable year.

Part II Instructions

This will be completed by the taxpayer and used as a tracking schedule for the credit taken.

Column A—Enter the month and year the tax credit is taken for this project.

Column B—Enter for year 1, the allowable credit from Part I, Line 2. Enter for each succeeding year, the difference between Column B and Column C.

Column C—Enter the amount of credit used for that year. If the amount is zero, enter -0-.