720X

41A720X (11-05)

Department of Revenue

AMENDED KENTUCKY CORPORATION INCOME TAX AND CORPORATION LICENSE TAX RETURN

To be used for tax periods beginning prior to January 1, 2005.

Taxable Year Ended

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Mo. Yr.

☐ Check if reporting federal audit adjustments.	Name of Corporation or Affiliated Group				Kentucky Corporation Account No.
	Number and Street				Federal Identification No.
	City	State	ZIP Code	Telephone Number	
	State and Date of Incorporation	Principal Business Activity in Kentucky			NAICS Code No.

➤ **Fill in applicable items and use Part III to explain any changes.**

NOTE: *Use Form 720X to correct Form 720. A corporation taxable both within and without Kentucky must complete lines 1 through 9. A 100% Kentucky corporation must complete line 1 and enter the amount on line 1 on line 7, omitting lines 2 through 6.*

PART I—INCOME TAX		A. As Previously Reported	B. Net Change—Increase or (Decrease) (explain in Part III)	C. Corrected Amount
1. Net income before NOL deduction (NOLD)	1			
2. Nonbusiness income (net)	2			
3. Total business income (line 1 less line 2)	3			
4. Apportionment factor	4			
5. Kentucky business income (line 3 multiplied by line 4)	5			
6. Kentucky nonbusiness income (net)	6			
7. Taxable net income before NOLD (line 5 plus line 6, or line 1)	7			
8. Kentucky NOLD (attach schedule)	8			
9. Taxable net income after NOLD (line 7 less line 8)	9			
10. Total income tax (see instructions)	10			
11. Enter credits (see instructions)	11			
12. **Amended income tax liability.** Subtract line 11 from line 10. (If line 11 exceeds line 10, enter 0)	12			
13. Income tax previously paid	13			
14. **Income tax due** (If line 12, column C, exceeds line 13, enter difference as **INCOME TAX DUE**)	14			
15. **Income tax refund** (If line 13 exceeds line 12, column C, enter difference as **INCOME TAX REFUND**)	15			

PART II—LICENSE TAX		A. As Previously Reported	B. Net Change—Increase or (Decrease) (explain in Part III)	C. Corrected Amount
1. Total capital employed	1			
2. Apportionment factor (wholly KY corporations enter 100%)	2			
3. Capital subject to license tax (line 1 multiplied by line 2)	3			
4. Total license tax before credit	4			
5. License tax credit (maximum $490) (see instructions)	5			
6. License tax (line 4 less line 5) (minimum $30)	6			
7. Enter other credits (see instructions)	7			
8 **Amended license tax liability.** Subtract line 7 from line 6. (If line 7 exceeds line 6, enter 0)	8			
9 License tax previously paid	9			
10. **License tax due** (If line 8 exceeds line 9, enter difference as **LICENSE TAX DUE**)	10			
11. **License tax refund** (If line 9 exceeds line 8, enter difference as **LICENSE TAX REFUND**)	11			

TAX PAYMENT SUMMARY

Income Tax _____ License Tax _____ Interest _____ **TOTAL**

I, the undersigned, declare under the penalties of perjury, that I have examined this return, including all accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct and complete.

Signature of principal officer or chief accounting officer

Date

Name and Social Security or federal identification number of person or firm preparing return

Make check payable to Kentucky State Treasurer.

Mail return with payment to Kentucky Department of Revenue, Frankfort, Kentucky 40620.

PART III— Explanation of Changes to Net Income, Nonbusiness Income, Apportionment Factor, Capital Employed, Credits, etc.

Enter the line reference from page 1 for which a change is reported, and give the reason for each change. Show any computation in detail. Attach supporting schedules.

GENERAL INSTRUCTIONS

Purpose of Form—Use Form 720X to report changes, **including federal audit changes**, to Form 720, Kentucky Corporation Income and License Tax Return, as previously reported. Use this form for tax periods beginning prior to January 1, 2005.

Information on Income, Deductions, Tax Computation, etc.—Refer to the instructions for Form 720, Kentucky Corporation Income and License Tax Return, related schedules and forms, for the year being amended to determine the taxability of certain types of income, the allowability of certain expenses as deductions from income, computation of tax, etc.

Where to File—Mail this form to Kentucky Department of Revenue, Frankfort, Kentucky 40620.

SPECIFIC INSTRUCTIONS

PART I—INCOME TAX

Line 1, Column A—Enter the amount previously reported.

Column B—Enter the increase or decrease being made. Explain the increase or decrease in Part III. If the change involves an item of income or deduction that is supported by a schedule, statement or form, attach the appropriate schedule, statement or form. If the change involves a federal audit adjustment, attach the "final determination of the federal audit." **Do not include changes to net operating loss deduction here (see line 8 instructions below).**

Column C—Enter the result of adding the increase in column B to the amount in column A or subtracting the column B decrease from column A. If there is no change entered in column B, enter the amount from column A.

Lines 2 Through 6

Note: *These lines are applicable only to corporations taxable both within and without Kentucky. Corporations taxable only in Kentucky omit these lines and enter amount from line 1 on line 7.*

Column A—On each line, 2 through 6, enter amount from appropriate line of Schedule A, Form 720 as previously reported.

Column B—On lines 2, 4 and 6, enter any increases or decreases being made, explain in Part III and attach a corrected Schedule A, Form 720.

Column C—On lines 2, 4 and 6, enter the result of adding the increase in column B to the amount in column A or subtracting the column B decrease from column A. If there is no change entered in column B, enter the amount from column A.

Line 8, Column C—Enter the amount of net operating loss deduction (NOLD). The amount of NOL to be carried back or forward for Kentucky income tax purposes is the amount of loss determined on the Kentucky return; in the case of a corporation taxable both within and without Kentucky, it is the amount determined after apportionment and allocation (attach schedule showing computation of the amount claimed).

Line 10, Column C—Determine corrected income tax by using tax rates reflected on Tax Computation Schedule of Form 720 used for filing original return for the year.

Line 11, Column A—Enter total amount of credit from appropriate lines of Tax Computation Schedule or Income Tax Computation of Form 720 as previously reported.

Column B—Enter any increase or decrease being made. If an entry is made on this line, attach a schedule reflecting computations (see Tax Computation Schedule of Form 720 for year originally filed for limitations). Also attach applicable tax credit schedules or forms.

Column C—Enter the result of adding the increase in column B to the amount in column A or subtracting the column B decrease from column A. If there is no change entered in column B, enter amount from column A.

Line 13—Enter total income tax previously paid for taxable year less any refund previously received for taxable year.

PART II—LICENSE TAX

A corporation may only amend its license tax return to reflect changes in the apportionment factor or to correct errors or omissions of capital.

Use this form to amend capital employed to exclude the 10 percent addback computation as required by HB 390 that was passed by the 2003 General Assembly and permitted by the governor's directive dated April 15, 2004.

Lines 1 and 2—Enter in column A the amount from appropriate line of Form 720, Part III, as previously reported. Enter in column B any increases or decreases being made and explain in Part III. Enter the result of adding the increase in column B to the amount in column A or subtracting the column B decrease from column A. If there is no change entered in column B, enter the amount from column A.

Line 4—Determine corrected tax due on amount reflected on line 3. The tax rate is $2.10 on each $1,000 of capital employed or a minimum of $30.

Line 5—A corporation with gross income of $500,000 or less is allowed a credit of $1.40 per thousand of the first $350,000 of capital employed against the license tax. For the purpose of this credit, gross income means total taxable and nontaxable receipts before reduction for cost of goods sold, cost of assets sold or any other deduction.

Line 6—Subtract the amount on line 5, if applicable, from the amount on line 4, and enter the result or $30, whichever is greater.

Line 7, Column A—Enter total amount of other credits (KIFA tax credit, KIRA tax credit, or coal incentive tax credit) from appropriate lines of the Form 720 as previously reported.

Column B—Enter any increase or decrease being made. If an entry is made on this line, attach a schedule reflecting computations. Also, attach applicable tax credit schedules.

Column C—Enter the result of adding the column B increase to the amount in column A or subtracting the column B decrease from column A. If there is no change entered in column B, enter amount from column A.

Line 9—Enter total license tax previously paid for the taxable year less any refund previously received for the taxable year.

TAX PAYMENT SUMMARY—If amounts of additional tax due are reflected on either Part I, line 14, or Part II, line 10, enter amounts due in proper place in this section. Compute interest from the original due date of the return to the date of payment. For years ending prior to July 1, 1982, the rate is 8 percent per annum until paid. For tax years ending after June 30, 1982, variable rates apply to the periods during which the tax was unpaid as follows: July through December 1982, 16 percent; calendar 1983, 13 percent; calendar 1984, 11 percent; calendar 1985, 13 percent; calendar 1986, 10 percent; calendar 1987, 8 percent; calendar 1988, 9 percent; calendar 1989, 10 percent; calendar 1990, 11 percent; calendar 1991, 10 percent; calendar 1992, 8 percent; calendar 1993, 7 percent; calendar 1994, 7 percent; calendar 1995, 8 percent; calendar 1996, 9 percent; calendar 1997, 8 percent; calendar 1998, 9 percent; calendar 1999, 8 percent; calendar 2000, 8 percent; calendar 2001, 10 percent; calendar 2002, 6 percent; calendar 2003, 5 percent; calendar 2004, 4 percent; calendar 2005, 5 percent; and calendar 2006, 7 percent.