

KENTUCKY SCHEDULE K FOR

Form 765-GP

GENERAL PARTNERSHIPS WITH ECONOMIC DEVELOPMENT PROJECT(S)

42A765-S1 (Rev. 2-06)

PARTNERS' SHARES OF INCOME, CREDIT, DEDUCTIONS, ETC., EXCLUDING THE ECONOMIC DEVELOPMENT PROJECT(S)

SECTION I—Income or (Loss)

(a) Distributive Share Items	(b) Total Amount	(c) Adjustments	(d) Net Kentucky Amount
1. Ordinary income or (loss) from trade or business activities (page 1, line 9) 1			
2. Net income or (loss) from rental real estate activities (from attached federal schedule) 2			
3. a Gross income from other rental activities 3a			
b Minus expenses (attach schedule) 3b			
c Net income or (loss) from other rental activities 3c			
4. Portfolio income or (loss):			
a Interest income 4a			
b Dividend income 4b			
c Royalty income 4c			
d Net short-term capital gain or (loss) (from attached federal schedule) 4d			
e Net long-term capital gain or (loss) (from attached federal schedule) 4e			
f Other portfolio income or (loss) (attach schedule) 4f			
5. Guaranteed payments to partners 5			
6. Net gain or (loss) under IRC Section 1231 (other than due to casualty or theft) (attach federal Form 4797) 6			
7. Other income or (loss) (attach schedule) 7			

Deductions

8. Charitable contributions (attach list) and housing for homeless deduction (attach Schedule HH) 8			
9. IRC Section 179 expense deduction (attach federal Form 4562 and Kentucky revised Form 4562, if applicable) 9			
10. Deductions related to portfolio income (do not include investment interest expense) 10			
11. Other deductions (attach schedule) 11			

Investment Interest

12. a Interest expense on investment debts 12a			
b (1) Investment income included on lines 4a, 4b, 4c and 4f above 12b(1)			
(2) Investment expenses included on line 10 above 12b(2)			

Credits

13. Kentucky Unemployment Tax Credit (attach Schedule UTC) ... 13			
14. Recycling and Composting Equipment Tax Credit (attach approved Schedule RC) 14			
15. Other ➤ 15			

Other

16. a Type of expenditures 16a			
b Total expenditures to which IRC Section 59(e)(2) election may apply 16b			
17. Other items and amounts not reported above (attach schedule) 17			

SECTION II—Kentucky Distributable Corporation Income and Tax Credits

1. Individual partners' net distributable share of taxable income previously taxed under KRS 141.040 1		
2. Nonrefundable Kentucky corporation income tax credit (KRS 141.420(3)) 2		
3. Refundable Kentucky corporation income tax credit (KRS 141.420(3)(c)) 3		

SECTION III—Kentucky Nonresident Partners' Distributable Income Computation

1. Individual nonresident partners' net distributive share of taxable income 1		
2. Net distributable income to nonresident individual partners from entities previously taxed under KRS 141.040 2		
3. Nonresident individual partners' net distributive share of taxable income not previously taxed 3		

**INSTRUCTIONS—KENTUCKY SCHEDULE K
FOR GENERAL PARTNERSHIPS
WITH ECONOMIC DEVELOPMENT PROJECT(S)**

IMPORTANT: A general partnership which has one or more projects under the Kentucky Rural Economic Development Act (KREDA), Kentucky Industrial Development Act (KIDA), Kentucky Jobs Development Act (KJDA), Kentucky Economic Opportunity Zone (KEOZ) or Kentucky Industrial Revitalization Act (KIRA) must use this Schedule K in lieu of the regular 765-GP Schedule K.

PURPOSE OF SCHEDULE—This schedule is to be used to determine the partners' share of each item of income, credit, deduction, etc., excluding the amount of each item of income, credit, deduction, etc., attributable to the project(s). See General Instructions of Schedule KREDA-SP, Schedule KIDA-SP, Schedule KJDA-SP or Schedule KIRA-SP for additional information on this exclusion.

SECTION I INSTRUCTIONS

Column (b)—Complete this column following the instructions to the regular 765-GP Schedule K.

Column (c)—For each item of income or deduction, enter the amount attributable to the project or projects. If the general partnership has more than one project, attach a schedule reflecting the computation of the total amount of each item.

If the general partnership's only operation is the project or projects, the amount entered for each item should be the same as the amount entered in column (b).

Attach applicable tax computation schedule(s) (Schedule KREDA-SP, Schedule KIDA-SP, Schedule KJDA-SP or Schedule KIRA-SP) and supporting schedules for each project.

Column (d)—For each item of income or deduction, subtract the amount in column (c) from the amount in column (b) and enter the result. The amounts from this column should be used to determine the amount of income, credit, deductions, etc., reflected on each partner's Kentucky Schedule K-1. The total pro rata share items of all Schedules K-1 should equal the amount reported on the same lines of this column, lines 1 through 17.

SECTION II AND SECTION III INSTRUCTIONS

See instructions for Section II and Section III of the regular Form 765-GP Schedule K to determine if it is necessary to complete this section. If the general partnership is required to complete Section III, exclude income attributable to the project(s).