



2006

➤ **See separate instructions.**

Taxable period beginning _____, 2006, and ending _____, 200_____.

**KENTUCKY PARTNERSHIP INCOME TAX RETURN
(LLC, LLP and LP TAXED AS A CORPORATION)**

A Number of Partners (Attach K-1s) ➤ _____ D Type of Return <input type="checkbox"/> Separate Return <input type="checkbox"/> Nexus Consolidation	B Federal Identification Number _____ Name of Partnership (Place preaddressed label here; otherwise print or type.) _____ Number and Street _____ City _____ State _____ ZIP Code _____ Telephone Number _____	Taxable Year Ending _____ / _____ Mo. / Yr.	State and Date of Organization _____ Principal Business Activity in KY _____ NAICS Code Number (Relating to Kentucky Activity) (See www.census.gov) _____
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E Check if applicable: LLC LP LLP Initial return Final return (attach explanation)
 Amended return Short-period return (attach explanation) Change of name Change of address
 No packet required for 2007

PART I—TAXABLE INCOME COMPUTATION			PART II—TAX COMPARISON		
1. Kentucky ordinary income (loss) (from Schedule K, Section I, line 1)			26. Net operating loss deduction (NOLD)		
2. Net income (loss) from rental real estate activities			27. Net income (loss) (after NOLD) (line 25 less line 26)		
3. Net income (loss) from other rental activities			28. Kentucky domestic production activities deduction (KDPAD)		
4. Interest income			29. Taxable net income (loss) (line 27 less line 28)		
5. Royalty income			PART III—TAX COMPUTATION		
6. Net capital gain (from Schedule K, Section I)			1. Regular income tax (see instructions)		
7. Other portfolio income (loss)			2. Schedule AMC, Section D, line 1		
8. Section 1231 net gain (loss) (other than due to casualty or theft)			ADDITIONS		
9. Other income (loss)			1. Tax liability (Part II, greater of line 1, line 2 or \$175 minimum)		
10. Total additions (add lines 1 through 9)			2. Recycling/composting equipment tax credit recapture		
11. Total from Line 11—Worksheet on page 2 (other income (loss) (KRS 141.010(12))			3. Total (add lines 1 and 2)		
12. Total income after adjustments (add lines 10 and 11)			SUBTRACTIONS		
13. Charitable contributions (see instructions)			4. Total tax credits (Schedule TCS)		
14. Section 179 expense deduction (Kentucky Form 4562)			5. Net tax liability (greater of line 3 less line 4 or \$175)		
15. Deductions related to portfolio income (loss)			6. Estimated tax payments		
16. Other deductions			<input type="checkbox"/> Check if Form 2220-K attached		
17. Section 59(e)(2) expenses			7. Extension tax payment		
18. Total deductions (add lines 13 through 17)			8. Prior year's tax credit		
19. Oil and gas depletion			9. Tax due		
20. Other adjustments (KRS 141.010(13))			10. Tax overpayment		
21. Total deductions (add lines 18 through 20)			11. Credited to 2007		
22. Net income (loss) (line 12 less line 21)			12. Amount to be refunded		
23. Current net operating loss adjustment			➤ Federal Form 1065, pages 1, 2, 3 and 4, and any supporting schedules must be attached.		
24. Income (loss) after NOL limitation (add lines 22 and 23)			Make check(s) payable to: Kentucky State Treasurer		
25. Net income (loss) (amount from line 24 or Schedule A)			Mail return with payment to: Kentucky Department of Revenue Frankfort, Kentucky 40620		

TAX PAYMENT SUMMARY (Round to Nearest Dollar)

<input type="checkbox"/> Income	<input type="checkbox"/> AMC Gross Receipts	<input type="checkbox"/> AMC Gross Profits	<input type="checkbox"/> Minimum \$175
Tax _____	Interest _____		
Penalty _____	TOTAL (Including Penalty and Interest) _____		



PART IV – CORPORATION INCOME TAX CREDIT FOR PARTNERS/MEMBERS

1. Tax due (page 1, Part III, line 1)	1		
2. Minimum tax	2	175	00
3. Corporation income tax (nonindividual partners)	3		
4. Corporation income tax credit (individual partners)	4		
5. Nonrefundable Kentucky corporation income tax credit (KRS 141.420(3))	5		
6. Refundable Kentucky corporation income tax credit (KRS 141.420(3)(c))	6		

Line 11 – Worksheet: Other Income (Loss) (KRS 141.010(12))

KRS 141.010(12) adjustments which were not made in the Ordinary Income (Loss) Computation or Schedule K, Section I, Lines 1 through 11 and 13(b).

Description	Amount
(a) Enter related party and intangible expenses prohibited by KRS 141.205	(a)
(b) Enter expenses related to nontaxable income	(b)
(c) Add net distributive loss received from the corporation subject to tax under KRS 140.040	(c)
(d) Subtract net distributive income received from the corporation subject to tax under KRS 140.040	(d)
(e) Enter any other adjustments provided by KRS 141.010(12)	(e)
Total KRS 141.010(12) adjustments (add lines (a) through (e)). Enter here and on page 1, line 11	



**SCHEDULE Q—
KENTUCKY PARTNERSHIP QUESTIONNAIRE**

IMPORTANT: Questions 4–14 must be completed by all partnerships. If this is the partnership’s initial return or if the partnership did not file a return under the same name and same federal I.D. number for the preceding year, questions 1, 2 and 3 must be answered. **Failure to do so may result in a request for a delinquent return.**

1. Indicate whether: (a) new business; (b) successor to previously existing business which was organized as: (1) corporation; (2) partnership; (3) sole proprietorship; or (4) other _____

If successor to previously existing business, give name, address and federal I.D. number of the previous business organization. _____

2. List the following **Kentucky** account numbers. Enter N/A for any number not applicable.

Employer Withholding _____
 Sales and Use Tax Permit _____
 Consumer Use Tax _____
 Unemployment Insurance _____
 Coal Severance and/or Processing Tax _____

3. If a foreign partnership, enter the date qualified to do business in Kentucky. ___ ___ / ___ ___ / ___ ___

4. The partnerships’s books are in care of: (name and address) _____

5. Are disregarded entities included in this return?
 Yes No. If yes, list name, address and federal I.D. number of the entity. _____

6. For the taxable period being reported, was the partnership a partner in a general partnership doing business in Kentucky? Yes No. If yes, list name and federal I.D. number of the general partnership(s). _____

For the taxable period being reported, was the partnership doing business in Kentucky, other than the interest held in a general partnership doing business in Kentucky? Yes No

7. Is the net distributive income (loss) received from a partnership subject to the tax imposed by KRS 141.040 included in this return? Yes No. If yes, list name, federal I.D. and Kentucky account number of the partnership. _____

8. Are related party costs made to related members as defined in KRS 141.205(1)(l) included in this return? Yes No. If yes, list name, federal I.D. and/or Kentucky corporation account number of the individual or entity. _____

9. Did the partnership at any time during the taxable year own 80 percent or more of the voting power of all classes of ownership interest in an entity, other than a general partnership, which is not included in this return because it did not do business in Kentucky? Yes No. If yes, list name and federal I.D. number of all such entities. _____

10. Did any corporation, individual, partnership, trust or association at any time during the taxable year own 80 percent of the voting power of all classes of ownership interest of the partnership? Yes No. If yes, list name and federal I.D. number of all such entities. _____

11. Was this return prepared on: (a) cash basis, (b) accrual basis, (c) other _____

12. Is the partnership a public service corporation subject to taxation under KRS 136.120? Yes No

13. Did the partnership file a Kentucky tangible personal property tax return for January 1, 2007? Yes No

14. Is the partnership currently under audit by the Internal Revenue Service? Yes No. If yes, enter years under audit _____

If the Internal Revenue Service has made final and unappealable adjustments to the partnership’s taxable income which have not been reported to this department, check here and file Form 765, Amended Kentucky Partnership Income Tax Return, for each year adjusted and attach a copy of the final determination.

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

_____ Identification number of partner or member _____ Date _____

Typed or printed name of preparer other than taxpayer _____ Identification number of preparer _____ Date _____

May the Department of Revenue discuss this return with the preparer?
 Yes No



SCHEDULE OI—ORDINARY INCOME (LOSS) COMPUTATION

1. Federal ordinary income (loss) (see instructions)	1		
ADDITIONS			
2. State taxes	2		
3. Federal depreciation (do not include Section 179 expense deduction)	3		
4. Other (attach schedule)	4		
5. Total (add lines 1 through 4)	5		
SUBTRACTIONS			
6. Federal work opportunity credit	6		
7. Kentucky depreciation (do not include Section 179 expense deduction)	7		
8. Other (attach schedule)	8		
9. Kentucky ordinary income (loss) (line 5 less lines 6 through 8)	9		

SCHEDULE K—PARTNERS' SHARES OF INCOME, CREDITS, DEDUCTIONS, ETC. (See Specific Instructions for Each Line Item)

SECTION I	(a) Distributive Share Items	(b) Total Amount		
Income (Loss) and Deductions				
1.	Kentucky ordinary income (loss) from trade or business activities (Schedule OI, line 9)	1		
2.	Net income (loss) from rental real estate activities (attach federal Form 8825)	2		
3.	(a) Gross income from other rental activities	3(a)		
	(b) Less expenses from other rental activities (attach schedule)	(b)		
	(c) Net income (loss) from other rental activities (line 3a less line 3b)	(c)		
4.	Portfolio income (loss):			
	(a) Interest income	4(a)		
	(b) Dividend income	(b)		
	(c) Royalty income	(c)		
	(d) Net short-term capital gain (loss) (attach federal Schedule D and Kentucky Schedule D if applicable) ...	(d)		
	(e) Net long-term capital gain (loss) (attach federal Schedule D and Kentucky Schedule D if applicable)	(e)		
	(f) Other portfolio income (loss) (attach schedule)	(f)		
5.	Guaranteed payments to partners	5		
6.	Section 1231 net gain (loss) (other than due to casualty or theft) (attach federal and Kentucky Forms 4797) .	6		
7.	Other income (loss) (attach schedule)	7		
8.	Charitable contributions (attach schedule) and housing for homeless deduction (attach Schedule HH)	8		
9.	IRC Section 179 expense deduction (attach Federal Form 4562 and Kentucky Revised Form 4562)	9		
10.	Deductions related to portfolio income (loss) (attach schedule)	10		
11.	Other deductions (attach schedule)	11		
Investment Interest				
12.	(a) Interest expense on investment debts	12(a)		
	(b) (1) Investment income included on lines 4(a), 4(b), 4(c) and 4(f) above	(b)(1)		
	(2) Investment expenses included on line 10 above	(2)		
Other Items				
13.	(a) Type of Section 59(e)(2) expenditures ►	13(a)		
	(b) Amount of Section 59(e)(2) expenditures	(b)		
14.	Tax-exempt interest income	14		
15.	Other tax-exempt income	15		
16.	Nondeductible expenses	16		
17.	Total property distributions (including cash)	17		
18.	Other items and amounts required to be reported separately to partners (attach schedule)	18		

SECTION II—Kentucky Distributable Corporation Income and Tax Credits

1. Taxable net income (loss) taxed under KRS 141.040 (page 1, Part I, line 29)	1		
2. Individual partners' share of net distributable income (loss) taxed under KRS 141.040	2		
3. Nonrefundable Kentucky corporation income tax credit (KRS 141.420(3)) (page 2, Part IV, line 5)	3		
4. Refundable Kentucky corporation income tax credit (KRS 141.420(3)(c)) (page 2, Part IV, line 6)	4		