

SCHEDULE TCS

41A720TCS (10-07)

Commonwealth of Kentucky
DEPARTMENT OF REVENUE



For taxable year ended

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TAX CREDIT SUMMARY SCHEDULE

► See instructions.

► Attach this schedule to Form 720, Form 720S, Form 725 or Form 765.

Name of Corporation	Federal Identification Number	Kentucky Corporation/LLET Account Number
	_____	_____

PART I—Economic Development Tax Credit Summary (Only for Projects Approved by the Kentucky Economic Development Finance Authority)

A Type of Project (KREDA, KIDA, KJDA, KIRA, KRA, KEOZ, KJRA, STICA)	B Location of Project	C Project Number	D Allowable Credit from Each Schedule	E LLET Credit Claimed	F Corporation Credit Claimed

PART II—Other Tax Credits

Historic preservation restoration tax credit		
Unemployment tax credit		
Recycling/composting equipment tax credit		
Coal conversion tax credit		
Enterprise zone tax credit		
Kentucky investment fund tax credit		
Coal incentive tax credit		
Qualified research facility tax credit		
GED incentive tax credit		
Voluntary environmental remediation tax credit (Brownfield)		
Biodiesel tax credit		
Environmental stewardship tax credit		
Clean coal incentive tax credit		

PART III—Total Tax Credits

Total LLET credits claimed (add amounts in Column E). Enter this amount on Form 720, Part I, line 5; Form 720S, Form 725, or Form 765, Part II, line 5		
Total corporation tax credits claimed (add amounts in Column F). Enter this amount on Form 720, Part III, line 7		

If there are economic development credits, the Kentucky Tax Return (Form 720, Form 720S, Form 725 or Form 765), including this schedule, must be mailed to Economic Development Tax Credits, Corporation Income and License Tax Branch, Kentucky Department of Revenue, P.O. Box 181, Frankfort, Kentucky 40602-0181.

INSTRUCTIONS—SCHEDULE TCS

Schedule TCS is used by corporations and limited liability pass-through entities to apply tax credits for entities subject to the corporation income tax imposed under KRS 141.040 and/or the limited liability entity tax imposed under KRS 141.0401. The amount of tax credit against each tax can be different.

PURPOSE OF SCHEDULE

This schedule is used by corporations to summarize all tax credits being claimed against income tax as provided by KRS 141.040 and used by corporations and limited liability pass-through entities to summarize the limited liability entity tax (LLET) as provided by KRS 141.0401.

Limited liability pass-through entities shall not enter income or LLET tax credits on Schedule TCS from Schedule KEOZ-SP, Schedule KIDA-SP, Schedule KIRA-SP, Schedule KJDA-SP, Schedule KJRA-SP, Schedule KRA-SP or Schedule KREDA-SP. See instructions for those schedules.

GENERAL INSTRUCTIONS

If a taxpayer is entitled to more than one of the tax credits allowed against the taxes imposed by KRS 141.040 and KRS 141.0401, the priority of application and use of credits shall be determined in the order that the credits are listed on Schedule TCS (KRS 141.0205). Total credits taken against corporation income tax on Form 720 may not reduce the tax below zero. Total credits taken against LLET on Form 720, Form 720S, Form 725 or Form 765 may not reduce the tax below \$175.

Part I—Economic Development Tax Credit Summary

This part is only completed by corporations having projects under the Kentucky Rural Economic Development Act (KREDA), Kentucky Industrial Development Act (KIDA), Kentucky Jobs Development Act (KJDA), Kentucky Industrial Revitalization Act (KIRA), Kentucky Reinvestment Act (KRA), Kentucky Economic Opportunity Zone Act (KEOZ) and Kentucky Job Retention Act (KJRA) approved by the Kentucky Economic Development Finance Authority, and corporations and limited liability pass-through entities claiming tax credits for skills training under the Skills Training Investment Credit Act (STICA) approved by the Bluegrass State Skills Corporation.

A corporation must first complete the applicable credit computations schedule (Schedule KREDA, Schedule KIDA, Schedule KJDA, Schedule KIRA, Schedule KRA, Schedule KEOZ or Schedule KJRA) for each project.

Corporations and limited liability pass-through entities claiming tax credits under the Skills Training Investment Credit Act (STICA) must attach a copy of the final resolution received from the Bluegrass State Skills Corporation.

Complete a separate line for each project. Enter the appropriate information in Columns A, B and C, and enter in Column D the credit limitation from the applicable tax credit computation schedule for each project. Enter in Column E, the amount of credit claimed for each project against the LLET, and in Column F, the amount of credit claimed for each project against the corporation income tax.

There is no requirement to utilize credits from the economic development projects in any particular order.

Part II—Other Tax Credits

For all other tax credits, enter the amount claimed on the applicable line. Attach supporting schedules or approved applications to tax returns.

Part III—Total Tax Credits

The totals from Part I and Part II, Column E cannot reduce the LLET below the \$175 minimum. The totals from Part I and Part II, Column F cannot reduce the corporation income tax liability below zero. If necessary, reduce the total amount of the credits beginning with the last credit listed. Enter the LLET credits (Column E) claimed on Form 720, Part I, Line 5; and Form 720S, Form 725 or Form 765, Part II, Line 5. Enter the corporation credits (Column F) claimed on Form 720, Part III, Line 7.