

SCHEDULE CCI

41A720-CCI (10-08)
Commonwealth of Kentucky
DEPARTMENT OF REVENUE



20 _____

Taxable Year Ending
_____/_____
Mo. Yr.

➤ See instructions.

**APPLICATION AND CREDIT CERTIFICATE
OF CLEAN COAL INCENTIVE TAX CREDIT**

KRS 141.428

Name of Taxpayer			Federal Identification Number ____-____-____
Number and Street			Kentucky Corporation/LLET Account Number _____
City	State	ZIP Code	Telephone Number (Include Area Code) ____-____-____

Name and Facility Location

Type of Entity (check applicable box): Corporation Limited Liability Pass-Through Entity General Partnership
 Other ➤

Certification Date by Environmental and Public Protection Cabinet ➤ _____ (Attach certification letter.)

PART I—Qualifying Tons of Coal Purchased During the Taxable Year and Used to Generate Electricity

A Name of Supplier	B Name and Kentucky Coal Severance Tax Account Number of Taxpayer Subject to Kentucky Coal Severance Tax On Qualifying Coal Purchases	C Qualifying Tons of Coal Purchased	D For Department of Revenue Use Only Approved Tons Purchased
1. _____			
2. _____			
3. _____			
4. _____			
5. _____			
6. _____			
7. _____			
8. _____			
9. _____			
10. Total Tons Purchased			

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, it is true, correct and complete.

Signature	Title	Date
Contact Name (if different from signer)	E-Mail Address	
Telephone Number	Fax Number	

NOTE: This credit cannot reduce the limited liability entity tax (LLET) on Form 720, Form 720S, Form 725 or Form 765, below the \$175 minimum. There is no carryforward of unused credit.

Department of Revenue Use Only

Part II -- Tax Credit

1. Number of tons of approved eligible coal.....	1.	
2. Tax credit (line 1 times \$2)	2.	

Taxpayer Use Only

Part III -- Recap Schedule

1. Approved credit from Part II, line 2.....	1.	
2. Less:		
(a) Credit against KRS 141.0401, Enter on Schedule TCS, Part II, Column E	2(a)	
(b) Credit against KRS 141.040, Enter on Schedule TCS, Part II, Column F ...	2(b)	
(c) Credit against KRS 141.020	2(c)	
(d) Credit against KRS 136.120	2(d)	
3. Balance (line 1 less the greater of line 2(a), 2(b) or 2(c) and line 2(d)).....	3.	

INSTRUCTIONS

The Clean Coal Incentive Tax Credit is applied against the individual income tax imposed under KRS 141.020, the corporation income tax imposed under KRS 141.040, the limited liability entity tax (LLET) imposed under KRS 141.0401 and the public service company property tax (state portion only) imposed under KRS 136.120. The amount of credit claimed against the corporation income tax and the LLET can be different.

Purpose of Form—This form is used by taxpayers to apply for the clean coal incentive tax credit provided for in KRS 141.428, and by the Department of Revenue to determine the approved tons of coal purchased.

Who is Entitled to the Credit—Any taxpayer that:

1. (a) is an electric power company as defined in KRS Chapter 136; or
(b) is an entity that owns and operates a clean coal facility;
2. remits tax to Kentucky under KRS 136.120, 141.020, 141.040, or 141.0401, and
3. purchases coal subject to the tax imposed under KRS 143.020 that is used by the taxpayer; or by the parent company of the taxpayer if the taxpayer is a wholly owned subsidiary, to generate electricity.

Amount of Credit—Amount of Credit—The credit is equal to \$2 for each ton of coal. “Qualifying coal” means coal subject to the coal severance tax imposed by KRS 143.020 which is purchased and used by the company to generate electricity.

Due Date of Form—The taxpayer must submit this form by March 15 of each year to apply for the credit on coal purchases for the prior calendar year.

Where to Submit Form—This form should be submitted to:

Kentucky Department of Revenue
Office of Property Valuation
Division of Minerals Taxation and GIS Services
Station 33
501 High Street, Fourth Floor
Frankfort, Kentucky 40620

SPECIFIC INSTRUCTIONS

General Information—The taxpayer must complete all information in the name and address portion of this form. If the entity type is not listed, check other and list the entity type.

Part I and Part II Instructions

Columns A and B—Enter in Column A the name of each supplier from whom qualifying coal was purchased. If the supplier listed in Column A is the person subject to the Kentucky coal severance tax on the qualifying coal, enter the supplier’s Kentucky coal severance tax account number in Column B. If the person subject to the Kentucky coal severance tax on the qualifying coal is different than the supplier listed in Column A, enter in Column B the name and Kentucky coal severance tax account number of the person subject to the Kentucky coal severance tax on the qualifying coal purchased from each supplier. In the event more than one person was subject to the Kentucky coal severance tax on coal purchased from the same supplier, use a separate line to list the supplier and the name and Kentucky coal severance tax account number of each person subject to the Kentucky coal severance tax on the coal purchased from such supplier.

Column C—Enter on each line in this column the tons of qualifying coal purchased related to each entry in Columns A and B.

Maintaining Records—The taxpayer must maintain records reflecting verification of the tons of coal purchased subject to Kentucky coal severance tax imposed by KRS 143.020, including invoices and proof of payments, for a period of five years.

Taxes to Which the Credit Applies—KRS 141.0405 provides that this credit shall first be applied against both the taxes imposed by KRS 141.020 or KRS 141.040 and the tax imposed by KRS 141.0401, with the ordering of credits provided in KRS 141.0205. Any remaining credit shall be applied against the taxes imposed by KRS 136.120.

The credit shall meet the entirety of the taxpayer’s liability under the first tax listed in consecutive order before applying the remaining credit to the next tax listed in consecutive order. The taxpayer’s total liability under each preceding tax must be fully met before the remaining credit can be applied to the subsequent tax listed in consecutive order.

When Credit May be Claimed—The credit shall not be carried forward and must be used on the tax return filed for the period during which the eligible coal was purchased.

Claiming Credit—Corporations and limited liability pass-through entities are entitled to take this credit against the LLET. The credit taken against corporation income tax is also allowed against the LLET even though the credit is taken against the income tax. The credit claimed may be different because of limitations.

The credit amount cannot reduce the LLET below the \$175 minimum.