

FILER _____
 NAME _____

SCHEDULE E
FARM EXCEPTION TO UNMINED MINERALS TAX

KRS 132.820(1) was amended by House Bill 243 during the 2002 legislative session to provide exceptions to the unmined minerals tax "If (a) The unmined coal, oil and gas reserves, and other mineral or energy resources are owned in their entirety by the surface owner; (b) The surface owner is neither engaged in the severance, extraction, processing, or leasing of mineral or other energy resources nor is he an affiliate of a person who engages in those activities; and (c) The surface is being used by the surface owner primarily for the purpose of raising for sale agricultural crops, including planted and managed timberland, or livestock or poultry." For purposes of this section, "affiliate" means a person who directly or indirectly owns or controls, is owned or controlled by, or is under common ownership or control with, another individual, partnership, committee, association, corporation, or any other organization or group of persons.

If you qualify for the exception under KRS 132.820(1), complete this form.

1. Name and address of owner _____

2. Owner's parcel identification (as submitted by the lessee to the Department of Revenue) _____
3. Property location (county) _____
4. U.S.G.S. quadrangle name(s) _____
5. Do you own both the surface of this property and the mineral resources in their entirety?
 Yes No (not eligible for exception)
6. Are you engaged in or affiliated with anyone engaged in the severance, extraction, processing or leasing of coal?
 Yes (not eligible for exception) No
7. Do you use the surface primarily for the purpose of raising for sale agricultural crops, including planted and managed timberlands, or livestock or poultry? Type of farming: _____
 Yes (submit last year's federal Form 1040, Schedule F or other verification) No (not eligible for exception)

Send the completed Schedule E to:
 Department of Revenue
 Office of Property Valuation
 Minerals Taxation and GIS Services Branch
 Station 33
 501 High Street, Fourth Floor
 Frankfort, Kentucky 40620