4972-K

42A740-S21
Department of Revenue

DRAFT 6/26/08

2008

KENTUCKY
TAX ON LUMP-SUM DISTRIBUTIONS

(From Qualified Plans of Participants Born Before January 2, 1936)

➤ **See federal instructions.** ➤ **Attach to Form 740, Form 740-NP or Form 741.**

Enter name of recipient of distribution.	Social Security or federal identification number
4972K 0010	4972K 0020

PART I—Qualifications—An individual who qualifies to file federal Form 4972 qualifies to file Form 4972-K.

1. Are you filing federal Form 4972? ..... 4972K 0030 ☐ Yes ☐ No
   If "yes," you are qualified to file Form 4972-K. **If "no," do not complete the rest of this form.** See instructions for Schedule M, line 10 (Form 740-NP, page 4, line 10(b)).

PART II—Excludable Lump-Sum Income—Complete this part after you have completed Schedule P.

2. Enter the amount from Schedule P, line 3	2	4972K 0035
3. Subtract line 2 from $41,110	3	4972K 0040
4. Enter the amount from line 8(a) plus line 9	4	4972K 0045
5. Enter the lesser of line 3 or line 4	5	4972K 0050
6. Amount of line 5 to be applied to capital gain distributions. Enter here and on line 8(b)	6	4972K 0055
7. Amount of line 5 to be applied to regular lump-sum distributions. Subtract line 6 from line 5. Enter here and on line 12	7	4972K 0060

PART III—Complete this part only if you chose the 20% federal capital gain election.

8. (a) Capital gain part from Box 3, Form 1099-R	8(a)	4972K 0065
(b) Enter the exclusion from line 6	8(b)	4972K 0070
(c) Subtract line 8(b) from line 8(a). Enter here and include on Schedule M, line 6 (Form 740-NP, page 4, line 16, Column B or Form 741, Schedule M, line 3)	8(c)	4972K 0075

PART IV—Complete this part to choose the 10-year option.

9. Ordinary income from Form 1099-R, Box 2a minus Box 3. If you did not complete Part III, enter the amount from Box 2a of Form 1099-R (taxable amount) (see federal instructions)			9	4972K 0080
10. Death benefit exclusion for a beneficiary of a plan participant who died before August 21, 1996			10	4972K 0085
11. Subtract line 10 from line 9 (total federal taxable amount)			11	4972K 0090
12. Enter the exclusion from line 7			12	4972K 0095
13 Subtract line 12 from line 11 (total Kentucky taxable amount)			13	4972K 0100
14. Current actuarial value of annuity, if applicable (from Form 1099-R, Box 8)			14	4972K 0105
15. Add lines 13 and 14 (adjusted total taxable amount). If this amount is $70,000 or more, skip lines 16 through 19, and enter this amount on line 20			15	4972K 0110
16. Multiply line 15 by 50% (.50), but do not enter more than $10,000			16	4972K 0115
17. Subtract $20,000 from line 15. Enter difference. If line 15 is $20,000 or less, enter zero	17	4972K 0120		
18. Multiply line 17 by 20% (.20)			18	4972K 0125
19. Subtract line 18 from line 16 (minimum distribution allowance)			19	4972K 0130
20. Subtract line 19 from line 15			20	4972K 0135
21. Federal estate tax attributable to lump-sum distribution. Do not deduct on Form 740, Form 740-NP or Form 741 the amount attributable to the ordinary income entered on line 9 (see federal instructions)			21	4972K 0140
22. Subtract line 21 from line 20			22	4972K 0145
If line 14 is blank, skip lines 23 through 25 and go to line 26.				
23. Divide line 14 by line 15 and enter the result as a decimal (round to four places)			23	4972K 0150
24. Multiply line 19 by the decimal amount on line 23			24	4972K 0155
25. Subtract line 24 from line 14			25	4972K 0160
26. Multiply line 22 by 10% (.10)			26	4972K 0165
27. Tax on amount on line 26. Use the tax rate schedule in the instructions			27	4972K 0170
28. Multiply line 27 by 10. If no entry on line 14, skip lines 29 through 31, and enter this amount on line 32			28	4972K 0175
29. Multiply line 25 by 10% (.10)			29	4972K 0180
30. Tax on amount on line 29. Use the tax rate schedule in the instructions			30	4972K 0185
31. Multiply line 30 by 10			31	4972K 0190
32. **Tax on lump-sum distribution.** Subtract line 31 from line 28. Enter here and on Form 740, line 13 or Form 741, line 17(b). Form 740-NP, include tax in the amount on Form 740-NP, page 1, line 14. (multiple recipients, see federal instructions)			32	4972K 0195