



KENTUCKY EDUCATION TUITION TAX CREDIT

Attach to Form 740 or Form 740-NP.

Enter name(s) as shown on Form 740 or Form 740-NP, page 1.

Your Social Security Number

If you have a credit carry forward from previous years, see Page 2, Part V.

Caution: You cannot take the 2008 Kentucky Education Tuition Tax Credit if you are not eligible for the Federal Education Credits.

PART I - Qualifications

Table with 2 columns: Question, Yes, No. Contains 3 qualification questions regarding expenses, filing status, and carryover.

If you answered "No" to any of these questions above, STOP you do not qualify for this credit. If you answered "Yes" to all questions above, go to Part II.

PART II - Hope Credit (List only expenses from Kentucky institutions.) See Instructions

Table with 5 columns: Student Name, Student SSN, Institution Name and Address, Qualified Expenses, Tentative Hope Credit. Includes a summary line for total Hope Credit.

PART III - Lifetime Learning Credit (List only expenses for undergraduate studies at Kentucky institutions.) See Instructions

Table with 4 columns: Student Name, Student SSN, Institution Name and Address, Qualified Expenses. Includes summary lines for total Lifetime Learning Credit.

Note: If you have an unused credit from prior year(s), complete Page 2, Part V to determine your carryforward amount. You must have completed Form 8863-K in prior years to claim any allowable unused credit carryforward.

PART IV - Allowable Education Credits

Table with 2 columns: Description, Amount. Contains lines 7 through 16 detailing the calculation of allowable education credits and unused carryforward.



**PART V—Credit Carryforward from Prior Years**

17. Enter tentative tax from Form 740 or Form 740-NP, page 1, line 22.....	17	
18. Enter your credit carryforward from 2005.....	18	
19. Enter your credit carryforward from 2006.....	19	
20. Enter your credit carryforward from 2007.....	20	
21. Add lines 18, 19 and 20 .....	21	
22. <b>Enter 2005 credit carryforward to 2009.</b> Subtract line 17 from line 18. If zero or less, enter -0- ..	22	
23. Subtract line 18 from line 17. If zero or less, enter -0- .....	23	
24. <b>Enter 2006 credit carryforward to 2009.</b> Subtract line 23 from line 19. If zero or less, enter -0-...	24	
25. Subtract line 19 from line 23. If zero or less, enter -0-.....	25	
26. <b>Enter 2007 credit carryforward to 2009.</b> Subtract line 25 from line 20. If zero or less, enter -0- ..	26	
27. Enter the smaller of line 17 or line 21.....	27	

**2008 Carryforward Worksheet**

- A. From Part V, Line 22, 2005 to 2009 \_\_\_\_\_
- B. From Part V, Line 24, 2006 to 2009 \_\_\_\_\_
- C. From Part V, Line 26, 2007 to 2009 \_\_\_\_\_
- D. From Part IV, Line 16, 2008 to 2009 \_\_\_\_\_

If you have a carryforward of credit, maintain a copy of this worksheet or Form 8863-K for your records. This information will be needed to prepare future returns.

**Education Tuition Tax Credit—Instructions and Worksheet**

**Note:** You cannot take a Kentucky Education Tuition Tax Credit if you are not eligible for the federal Hope or Lifetime Learning Credits.

**Part I, Qualifications**—All questions in Part I must be answered yes to be eligible for the Kentucky Education Tuition Tax Credit.

**Part II, Hope Credit**—You *must* enter student’s name, Social Security number, name and address of Kentucky institution, qualified expenses and the tentative Hope Credit. Use the federal instructions to determine tentative credit. If more than two students, attach a list to Form 8863-K. Total tentative credits for all students on Line 2.

**Part III, Lifetime Learning Credit**—You *must* enter student’s name, Social Security number, name and address of Kentucky institution and qualified expenses. Use federal instructions to determine qualified expenses. Total tentative expenses for all students on Line 4 and enter the smaller of Line 4 or \$10,000 on Line 5, then multiply that amount by 20% (.20) on Line 6. **Note:** The *maximum federal Lifetime Learning Credit is \$2,000 for all students combined. Line 6 cannot exceed \$2,000.*

**Part IV, Allowable Education Credits**

**Line 7**— Add Lines 2 and 6 to determine tentative **federal** credits.

**Line 8**— Enter the decimal amount from federal Form 8863, Line 12. If that line is blank, skip Line 8 of this form and enter the amount from Line 7 on Line 9. **You cannot claim a Kentucky credit if you were forced to stop on Line 10 of federal Form 8863.**

**Line 9**— Multiply Line 7 by the decimal amount on Line 8, or enter the amount from Line 7 if Line 8 is blank.

**Line 10**— Multiply Line 9 by 25% (.25). This is your tentative Kentucky allowable credit.

**Line 11**— Enter the tentative tax from Form 740 or Form 740-NP, page 1, Line 22.

**Line 12**— Enter the amount from Page 2, Part V, Line 27. This is the allowable credit carryforward from prior year(s). If there is no carryforward, enter zero.

**Line 13**— Subtract Line 12 from Line 11.

**Line 14**— Enter the smaller of Line 13 or Line 10.

**Line 15**— Add Lines 12 and 14, **enter here and on Form 740 or Form 740-NP, , Line 23.** This is your allowable 2008 Kentucky education credit.

**Line 16**— If Line 13 is smaller than Line 10, subtract Line 13 from Line 10. This is the amount of unused credit carryforward from 2008 to 2009. **Maintain records for following years.**

**Part V, Credit Carryforward from Prior Years**—The Kentucky Education Tuition Tax Credit can be carried forward for up to 5 years if unused during the preceding tax year(s). You must have completed Form 8863-K for any prior year in which you are claiming a credit carryforward.