8874(K)-B
41A720-S82 (5-15)

Commonwealth of Kentucky
DEPARTMENT OF REVENUE

1500010321

NOTICE OF KENTUCKY NEW MARKETS DEVELOPMENT PROGRAM TAX CREDIT RECAPTURE
KRS 141.433

➤ **See instructions.**

A Name of Qualified Community Development Entity (CDE)	**B** Federal Identification Number of CDE __ __ – __ __ __ __ __ __ __	**C** Kentucky Corporation/LLET Account Number (if applicable) of CDE __ __ __ __ __ __
D Name of taxpayer making the qualified equity investment	**E** Identification number of taxpayer __ __ – __ __ __ __ __ __ __	**F** Kentucky Corporation/LLET Account Number (if applicable) of taxpayer __ __ __ __ __ __
Number and Street (taxpayer's address)		**G** Certified purchase price of the taxpayer's qualified equity investment $ _____
City	State / Zip Code	

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H Date the CDE received cash for taxpayer's qualified equity investment __ __ / __ __ / __ __ Mo. Day Yr.	**I** What type of entity is the taxpayer? ☐ Individual ☐ Estate ☐ Trust ☐ General Partnership ☐ Corporation ☐ S Corporation ☐ Limited Liability Pass-through Entity
J Date taxpayer's qualified equity investment was subject to recapture __ __ / __ __ / __ __ Mo. Day Yr.	**K** Explanation of recapture

	Original Tax Credit	Decrease of Tax Credit	Balance of Tax Credit	Tax Credit Claimed by Taxpayer
1. Total (add lines 2a through 2g)				
2. a. Year 1	0	0	0	0
b. Year 2	0	0	0	0
c. Year 3				
d. Year 4				
e. Year 5				
f. Year 6				
g. Year 7				

3. If the Tax Credit Claimed by Taxpayer on line 1 is greater than the Balance of Tax Credit on line 1, enter the recapture of the tax credit on this line	
4. If the Balance of Tax Credit on line 1 is greater than the Tax Credit Claimed by Taxpayer on line 1, enter the balance of the tax credit on this line.....	

Department of Revenue Use Only

By: _____ Date: _____

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INSTRUCTIONS—NOTICE OF KENTUCKY NEW MARKETS DEVELOPMENT PROGRAM TAX CREDIT RECAPTURE

If there is an event as provided by KRS 141.433(6) which would result in the recapture of any portion of the tax credit previously approved: (i) the qualified community development entity (CDE) shall notify the department upon discovery of such event; or (ii) the department upon discovery of such event or after receiving notice from the CDE of such event shall provide written notice (via certified mail) of the proposed recapture to the CDE as provided by KRS 141.433(6)(b).

If the CDE fails or is unable to cure the deficiency within ninety (90) days after receiving the department's original notice of recapture as provided by KRS 141.433(6)(b), a copy of this form (Form 8874(K)-B) will be sent by the department to the CDE and each taxpayer showing the amount of the tax credit recapture or balance of the tax credit. If the taxpayer is a pass-through entity, a Form 8874(K)-B will also be sent to each partner, member or shareholder showing the partner's, member's or shareholder's tax credit recapture or balance of the tax credit.

If Form 8874(K)-B, Line 3 shows a recapture of tax credit, the taxpayer or a partner, member or shareholder of a taxpayer shall attach a copy of Form 8874(K)-B to the tax return for the tax year that includes the credit recapture date and enter the tax credit recapture on the applicable line of the tax return.

If Form 8874(K)-B, Line 4 shows a tax credit balance, the taxpayer or a partner, member or shareholder of a taxpayer shall attach a copy of Form 8874(K)-B to the tax return each year to claim the tax credit against the taxes imposed by KRS 141.020, 141.040, 141.0401, 136.320, 136.330, 136.340, 136.350, 136.370, 136.390 or 304.3-270.