

# Kentucky Tax Alert

## 2016 ITEMIZED DEDUCTIONS LIMITATION THRESHOLD ADJUSTED FOR INFLATION

The phaseout threshold on Kentucky itemized deductions is \$184,850, or \$92,425 if married filing separate returns for the 2016 tax year. If a taxpayer's Kentucky adjusted gross income (AGI) exceeds the phaseout threshold, itemized deductions must be reduced by the lesser of:

- 3% of the excess AGI over the threshold amount; or
- 80% of the itemized deductions otherwise allowable for the taxable year, excluding medical and dental expenses, casualty and theft losses, gambling losses, and investment interest.

## 2017 STANDARD DEDUCTION FOR INDIVIDUAL INCOME TAX

The Department of Revenue (DOR) has set the standard deduction at \$2,480 for the 2017 tax year. This information may be helpful to those with estimated payments and other tax calculations.

## FEATURES OF KENTUCKY BUSINESS ONE STOP SERVICES

Currently the Kentucky Business One Stop (KBOS) services for the DOR include:

- New Business Registration
- Doing Business As (DBA) Name Changes
- Telephone Number Changes
- FEIN Additions
- Business Name Changes
- Mailing Address Changes
- Accounting Period Changes
- Responsible Parties Management

Effective August 1, 2016, the KBOS has expanded its services to include the following:

### Request Kentucky Business One Stop Access for an Existing Business

Existing businesses can now request access to their business on the One Stop Portal in order to maintain their own tax accounts. With the "Link My Business" function, taxpayers can gain immediate online access to their business by answering a set of questions, such as the total dollar amount paid with their last return for the account they selected, or they may request that a letter with their Commonwealth Business Identifier be sent to their existing account address in order to gain access.

## Apply for Additional Accounts

If a business does not already have an existing account for one of the tax types below, once they gain access to their business, they may apply online for:

- Employer's Withholding Tax
- Transient Room Tax
- Utility Gross Receipts License Tax
- Coal Severance and Processing Tax
- Consumer's Use Tax
- Sales and Use Tax
- Motor Vehicle Tire Fee
- Telecommunications Tax
- Coal Seller/Purchaser Certificate ID Number
- Commercial Mobile Radio Service (CMRS) Prepaid Service Charge (911 Fee)

## My Messages

Businesses who manage their account information online will now receive communications, including the following correspondence, through a Message Center:

- Account notification
- Filing frequency changes
- Account reinstatements
- Sales and Use Tax Permit updates
- Account cancellations

These businesses will no longer receive correspondence through the mail, but will be notified of new messages via email.

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## NEW FEATURE COMING IN THE NEAR FUTURE – E-FILE!

New E-file services for KBOS will be available soon and will include online filing for:

- Transient Room Tax
- Motor Vehicle Tire Fee

Updated and enhanced E-file services for Sales and Use Tax and Consumer's Use Tax are also being developed.

With your single user name and password for One Stop, you will not only maintain your business information, you will be able to file certain returns in one convenient place. To file electronically in the newly developed E-File system, you will need One Stop access to your business. If you do not already have access, use the "Link My Business" option on the One Stop dashboard. An E-file quick start guide with more detailed instructions is available on the DOR's website at: <http://revenue.ky.gov/Collections/Pages/E-file-Payment-Options.aspx>

## UNIVERSITY OF KENTUCKY 50TH ANNUAL 2016 INCOME TAX SEMINARS

### SEMINAR CONTENT

#### *Intermediate Seminar*

Day 1: 8:00 a.m. to 5:30 p.m.

Day 2: 8:00 a.m. to 5:00 p.m.

*Meals are not provided.*

**Program Level:** Intermediate

(Designed for professional tax preparers with at least one year of tax preparation experience.)

A two-day, intermediate seminar covering individual and small business issues, with the latest changes to both the federal and state tax laws, including:

#### **Federal Updates**

- New Tax Legislation
- Rulings & Cases
- Affordable Care Act
- Death of a Taxpayer
- Business Issues
- Agricultural and Natural Resources Issues
- Individual Issues
- IRS issues
- Ethics
- Domestic Production Activities Deduction (DPAD)
- Retirement
- Business Entity Issues
- Financial Distress
- Related Party Issues

- Taxation of Foreign Income
- Penalties and Defenses
- Tax Rates & Useful Tables

#### **Kentucky Updates**

- Individual Income Tax Issues
- Corporate and Business Returns
- Other Tax Updates

*The seminar includes 2 hours of ethics content.*

<p><b>Early Tuition Discount</b> (Registration form received 2 weeks before seminar date) ..... <b>\$325</b></p>	<p><b>Late Registration Fee</b> (Registration form received within 2 weeks of seminar date) ..... <b>\$365</b></p>
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#### **LEARNING OBJECTIVES**

To have participants fully aware and cognizant of the latest changes in tax legislation and case rulings for both Federal Tax Code and the Kentucky State Tax Code.

#### **CONTINUING EDUCATION CREDITS**

##### **Approved by:**

- Kentucky State Board of Accountancy and National Association of State Boards of Accountancy (NASBA)—17 CPE hours (including 2 hours of Ethics)
- Certified Financial Planner Board of Standards—16 CE hours
- Kentucky Department of Insurance—17 CE hours (including 2 hours of Ethics)
- Internal Revenue Service (IRS)—16 CE hours (14 hours of Federal Tax and 2 hours of Ethics) for Enrolled Agents

Attorneys must apply directly to the Kentucky Bar Association for CLE credit.

**Certificates of Completion** will be mailed to participants within 30 days of the conclusion of the 2016 seminar program.

#### **WORKBOOK MATERIALS**

You will receive the following materials included with your registration fee:

- 2016 National Income Tax Workbook, a 700+ page production of the Land Grant University Tax Education Foundation, Inc. Chapters in this textbook are available ONLY to sponsors of tax schools and to participants in the tax schools as part of their educational material
- The searchable CD which includes the National Income Tax Workbooks from the previous five years

- U.S. Master Tax Guide, published by CCH (if not available at the seminars, the books will be mailed upon availability)
- Kentucky Department of Revenue update\*

\***Note:** Materials will be sent via email prior to the seminar. No written materials will be available on location.

### CANCELTION/TRANSFERS

Cancellation requires a 3-day notice before the start of the seminar. A \$50.00 administrative fee will be retained for prior cancellation. Transfers are discouraged, but if necessary, permitted on a space-available basis and require a \$35.00 administrative fee.

In the event of cancellation due to adverse weather, registrants will be permitted to: 1) transfer to a later seminar; or 2) receive full credit for registration at a seminar the following year.

### GENERAL INFORMATION

**Schedule:** Registration begins at 7:45 a.m. Seminars begin at 8:00 a.m. Lunch is on your own.

**Smoking:** All seminars will be smoke-free.

**Electronic communications:** Prohibited during our seminars.

**Room temperature:** Satisfactory meeting room temperatures are difficult to maintain. We suggest that you dress in layers to ensure comfort.

**No voice recording** is permitted due to legal issues.

**Delivery method:** Group-Live.

### FOR MORE INFORMATION

Kathy Roe: 859-218-5112  
 Emily Brown: 859-218-3661  
 Toll-free: 888-808-3303  
 Fax: 859-323-0098

Email: Kathy.Roe@uky.edu; or  
 E.Brown@uky.edu

**Registration Form:** <http://www.uky.edu/uktax/Registration%20Form%202016%20-%20Fillable.pdf>

### DOR OFFICES CLOSED FOR HOLIDAYS

2016 Closure Dates	Holiday
Tuesday, November 8, 2016	Presidential Election
Friday, November 11, 2016	Veterans Day
Thursday & Friday, November 24-25, 2016	Thanksgiving
Friday, December 23 & Monday, December 26, 2016	Christmas
Friday, December 30, 2016 & Monday, January 2, 2017	New Year's

### KENTUCKY EXTENSIONS FOR TAXPAYERS IN LOUISIANA FEDERAL DISASTER AREAS

The DOR will honor the recently announced IRS special tax relief for taxpayers in the Presidential Disaster Areas struck by the recent severe storms and flooding in Louisiana.

Under the provisions of KRS 131.081 (11), Kentucky honors federal extensions related to disaster relief for filing of income tax returns, including payment of tax due. This extension to file and pay taxes does not apply to sales, and other type of taxes. However, taxpayers with disaster-related delays that are seeking filing extensions or that have been assessed penalties for taxes other than income may contact the DOR to request an extension or a waiver of penalties.

The Kentucky tax extensions offered allow affected taxpayers until January 17, 2017 to file Kentucky tax returns and submit tax payments for the following taxes: individual income tax; corporate income tax; and income tax withholding. Kentucky's tax extension includes the September 15 due date for estimated taxes and for calendar-year corporate returns with automatic extensions.

Late filing and payment penalties will be waived for those affected taxpayers seeking this relief. Kentucky's tax laws have no provision for the waiver of interest.

Taxpayers are advised to label the top margin of the tax forms filed under this relief provision in large, red letters with the words "Louisiana Disaster Area."

Taxpayers requiring additional tax information or assistance may contact the Department of Revenue at (502) 564-4581 (Individual Income Tax) or (502)564-8139 (Corporation Income Tax and Pass-through Entities).

Kentucky Tax Alert comments and suggestions should be addressed to the Office of Income Taxation/Tax Policy, Finance Cabinet, Department of Revenue, Frankfort, Kentucky, (502) 564-7268.

MATTHEW G. BEVIN, Governor

WILLIAM M. LANDRUM III, Secretary  
 Finance and Administration Cabinet

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The Department of Revenue may be found at:

[www.revenue.ky.gov](http://www.revenue.ky.gov)



5 0 t h A N N U A L

**2016 UK Income Tax Seminar Program Registration**

- Register by mail or FAX (credit card payment required) using the form below.
- Confirmation emails will be sent to those who meet the early registration deadline and provide a valid email address.
- Please duplicate this form for multiple registrations.
- DO NOT supply credit card information via email for security purposes.

Name: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Email: \_\_\_\_\_ (required)

CPA  CFP  EA  Attorney

PTIN#: \_\_\_\_\_ (required for Enrolled Agents only)

**FEES**

Intermediate Seminar Fee \$ \_\_\_\_\_ \$325 by early registration deadline  
\$365 after

Extra copies of books (shipping included) \$ \_\_\_\_\_  Full set of (2) workbooks—\$125  
 Tax Education Workbook—\$60  
 Master Tax Guide—\$75

**Total** \$ \_\_\_\_\_

**PAYMENT MUST ACCOMPANY REGISTRATION!**

**Method:**

- Check (make payable to: UK INCOME TAX SEMINAR)
- Visa
- Mastercard
- Discover
- American Express

Card Account Number: \_\_\_\_\_ Exp. Date: \_\_\_\_\_ / \_\_\_\_\_  
*Faxed registrations w/o a credit card number will not be accepted.*

Amount (\$): \_\_\_\_\_ Cardholder Name: \_\_\_\_\_

**Mail to:** 301 C.E. Barnhart Building  
Lexington, KY 40546-0276  
888-808-3303 or 859-218-5112  
FAX: 859-323-0098



**Check the seminars you plan to attend:**

**Early Registration Deadline:** Two weeks prior to the chosen seminar date.

Two-Day Intermediate Income Tax Seminars	Date	Early Reg. Deadline
<input type="checkbox"/> Hopkinsville <i>Christian Co. Extension Office</i>	Oct. 27, 28	Oct. 13
<input type="checkbox"/> Maysville <i>Mason County Extension Office</i>	Nov. 2, 3	Oct. 19
<input type="checkbox"/> Paducah <i>Jullian Carroll Conv. Center</i>	Nov. 2, 3	Oct. 19
<input type="checkbox"/> Jenny Wiley <i>State Park Conference Center</i>	Nov. 9, 10	Oct. 26
<input type="checkbox"/> Louisville East <i>U of L / Shelby Campus</i>	Nov. 9, 10	Oct. 26
<input type="checkbox"/> Lexington North <i>Marriott Griffin Gate</i>	Nov. 14, 15	Oct. 30
<input type="checkbox"/> Bowling Green <i>University Plaza &amp; Conv. Ctr</i>	Nov. 17, 18	Nov. 3
<input type="checkbox"/> Grayson <i>Kentucky Christian University</i>	Nov. 21, 22	Nov. 7
<input type="checkbox"/> Burlington #1 <i>Boone County Ext. Office</i>	Nov. 29, 30	Nov. 15
<input type="checkbox"/> Elizabethtown <i>Tourism and Conv. Center</i>	Nov. 30, Dec. 1	Nov. 16
<input type="checkbox"/> Lexington/Downtown <i>Lexington Center</i>	Dec. 5, 6	Nov. 21
<input type="checkbox"/> Owensboro <i>Owensboro Convention Center</i>	Dec. 6, 7	Nov. 22
<input type="checkbox"/> Somerset <i>Center for Rural Development</i>	Dec. 13, 14	Nov. 29
<input type="checkbox"/> Louisville/Airport <i>Hilton Garden Inn/Airport</i>	Dec. 14, 15	Nov. 30
<input type="checkbox"/> Burlington #2 <i>Boone Co. Extension Office</i>	Jan. 4, 5	Dec. 21

**Special Accommodations:** University of Kentucky is committed to making its programs accessible to individuals with disabilities. If you require an accommodation or special assistance for this program due to a disability, please contact us at 859-218-5112 as far in advance of the program as possible so that these needs can be addressed.