

SCHEDULE O-PTE

41A720S-O (11-16)
Commonwealth of Kentucky
DEPARTMENT OF REVENUE



Taxable Year Ending

____ / ____
Mo. Yr.

**OTHER ADDITIONS AND SUBTRACTIONS
TO/FROM FEDERAL ORDINARY INCOME**

➤ **Attach to Form 720S, 765 or 765-GP.**

Name of Pass-through Entity	Federal Identification Number ____ - _____	Kentucky Corporation/LLET Account Number _____
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PART I—ADDITIONS TO FEDERAL ORDINARY INCOME (FORM 720S, 765 OR 765-GP, PART I, LINE 5)

1. Loss from Form 4797 found on federal Form 1120S, line 4 or federal Form 1065, line 6.....	1	00
2. Gain from Kentucky Form 4797, line 17	2	00
3. Federal allowable depletion from Form 1120S, line 15 or Form 1065, line 17.....	3	00
4. Enter additions to federal taxable income from Kentucky Schedule(s) K-1	4	00
5. Internal Revenue Code amendments (see instructions)	5	00
6. Other additions (attach explanation)	6	00
7. Total of lines 1 through 6 (enter on Form 720S, Part III, line 5; or Form 765 or 765-GP, Part I, line 5)	7	00

PART II—SUBTRACTIONS FROM FEDERAL ORDINARY INCOME (FORM 720S, 765 OR 765-GP, PART I, LINE 9)

1. Gain from Form 4797 found on federal Form 1120S, line 4 or federal Form 1065, line 6	1	00
2. Loss from Kentucky Form 4797, line 17	2	00
3. Kentucky allowable depletion	3	00
4. Amounts received from Tobacco Master Settlement Agreement, Phase II Settlement.....	4	00
5. Amounts received from funds of the Commodity Credit Corporation for the Tobacco Loss Assistance Program.....	5	00
6. Amounts received as a result of a tobacco quota buydown program	6	00
7. State Phase II payments received by a producer of tobacco or a tobacco quota owner.....	7	00
8. Enter subtractions from federal taxable income from Kentucky Schedule(s) K-1	8	00
9. Internal Revenue Code amendments (see instructions)	9	00
10. Other subtractions (attach explanation)	10	00
11. Total of lines 1 through 10 (enter on Form 720S, Part III, line 9; or Form 765 or 765-GP, Part I, line 9)	11	00

Schedule O-PTE is used by an S corporation filing Kentucky Form 720S or a partnership filing Kentucky Form 765 or 765-GP to show other additions to and other subtractions from federal ordinary income.

Part I—ADDITIONS TO FEDERAL ORDINARY INCOME

Line 1—Enter the federal loss from federal Form 1120S, Line 4 or federal Form 1065, Line 6. If the loss from Form 4797, Line 17 is the same for both federal and Kentucky, do not make an entry on this line.

Line 2—Enter the Kentucky gain from Kentucky Form 4797, Line 17. If the gain from Form 4797, Line 17 is the same for both federal and Kentucky, do not make an entry on this line.

Line 3—Enter federal allowable depletion from federal Form 1120S, Line 15 or federal Form 1065, Line 17. Do not deduct depletion for oil and gas properties as each partner, member or shareholder figures depletion on oil and gas properties. If the depletion is the same for both federal and Kentucky, do not make an entry on this line.

Line 4—Enter the difference of the Kentucky distributive share income amounts from Kentucky Schedule(s) K-1 in excess of federal distributive share amounts from federal Schedule(s) K-1.

Line 5—Kentucky’s Internal Revenue Code (IRC) reference date is December 31, 2013 for fiscal years beginning on or before April 26, 2016. On April 27, 2016, the IRC reference date was updated from December 31, 2013 to December 31, 2015, for purposes of computing corporation and individual income tax, except for depreciation differences contained in KRS 141.0101. For fiscal year-end taxpayers with tax years beginning on or after April 27, 2016, the applicable IRC reference date is December 31, 2015. The IRC update will apply to calendar year taxpayers beginning in 2017.

Enter the addition to federal taxable income equal to the excess of Kentucky taxable income over federal taxable income resulting from amendments to the IRC (excluding amendments affecting depreciation and the IRC §179 deduction) subsequent to the applicable IRC date. Attach a schedule to the tax return showing the detail of the addition, including the related IRC section(s).

Line 6—Enter any other additions to federal income not reported on Lines 1 through 5, and attach an explanation to the tax return.

Line 7—Enter the total of Lines 1 through 6 (enter on Form 720S, Part III, Line 5; or Form 765 or 765-GP, Part I, Line 5).

Part II—SUBTRACTIONS FROM FEDERAL ORDINARY INCOME

Line 1—Enter the federal gain from federal Form 1120S, Line 4 or federal Form 1065, Line 6. If the gain from Form 4797, Line 17 is the same for both federal and Kentucky, do not make an entry on this line.

Line 2—Enter the Kentucky loss from Kentucky Form 4797, Line 17. If the loss from Form 4797, Line 17 is the same for both federal and Kentucky, do not make an entry on this line.

Line 3—Enter Kentucky allowable depletion using Kentucky taxable income and deductions. If the depletion is the same for both federal and Kentucky, do not make an entry on this line. **To determine the allowable depletion deduction for Kentucky purposes, the percentage limitations provided by the Internal Revenue Code must be applied using Kentucky taxable income and deductions.**

Line 4—Enter amounts received by a producer or a tobacco quota owner from the Tobacco Master Settlement Agreement.

Line 5—Enter amounts received from the Commodity Credit Corporation for the Tobacco Loss Assistance Program.

Line 6—Enter amounts received by a producer or a tobacco quota owner from the tobacco quota buydown program.

Line 7—Enter amounts received by a producer or a tobacco quota owner from state Phase II.

Line 8—Enter the difference of the federal distributive share income amounts from federal Schedule(s) K-1 in excess of Kentucky distributive share amounts from Kentucky Schedule(s) K-1.

Line 9—Kentucky’s Internal Revenue Code (IRC) reference date is December 31, 2013 for fiscal years beginning on or before April 26, 2016. On April 27, 2016, the IRC reference date was updated from December 31, 2013 to December 31, 2015, for purposes of computing corporation and individual income tax, except for depreciation differences contained in KRS 141.0101. For fiscal year-end taxpayers with tax years beginning on or after April 27, 2016, the applicable IRC reference date is December 31, 2015. The IRC update will apply to calendar year taxpayers beginning in 2017.

Enter the subtraction from federal taxable income equal to the excess of federal taxable income over Kentucky income resulting from amendments to the IRC (excluding amendments affecting depreciation and the IRC §179 deduction) subsequent to applicable IRC date. Attach a schedule to the tax return showing the detail of the subtraction, including the related IRC section(s).

Line 10—Enter any other subtractions from federal income not reported on Lines 1 through 9, and attach an explanation to the tax return.

Line 11—Enter the total of Lines 1 through 10 (enter on Form 720S, Part III, Line 9; or Form 765 or 765-GP, Part I, Line 9).