



Commonwealth of Kentucky  
DEPARTMENT OF REVENUE

**KENTUCKY NONRESIDENT INCOME TAX WITHHOLDING ON  
DISTRIBUTIVE SHARE INCOME REPORT AND COMPOSITE INCOME TAX RETURN**  
(To be completed by a Pass-through Entity Only)

**Taxable Year Ending**  
\_\_\_\_/\_\_\_\_  
Mo. Yr.

➤ See instructions.

KRS 141.206

Taxable period beginning \_\_\_\_/\_\_\_\_/201\_\_\_\_, and ending \_\_\_\_/\_\_\_\_/201\_\_\_\_.

<b>A</b> Name of Pass-through Entity <input type="checkbox"/> <b>Change of Name</b>			<b>B</b> Federal Identification Number ____-____-____
Number and Street <input type="checkbox"/> <b>Change of Address</b>			<b>C</b> Kentucky NRWH Account Number ____-____-____
City	State	ZIP Code	

**D Check applicable box:**  Nonresident Income Tax Withholding on Distributive Share Income Report and/or Composite Income Tax Return  
 Amended-Nonresident Income Tax Withholding on Distributive Share Income Report and/or Composite Income Tax Return

**E Check applicable box(es):**  Change of accounting period  Final return

(1) Number of nonresident individuals, estates, trusts and corporations included in this withholding	1	
(2) Number of nonresident individuals, estates, trusts and corporations exempt from this withholding	2	
(3) Number of nonresident individuals, estates, and trusts included in this composite income tax return	3	
(4) Net distributive share income subject to withholding/composite return before apportionment	4	00
(5) 100% or the apportionment fraction from the pass-through entity's Schedule A, Section I, line 12	5	%
(6) Kentucky distributive share income subject to withholding/composite return (line 4 multiplied by line 5)	6	00
(7) Tax before tax credits (line 6 multiplied by .06 (6%))	7	00
(8) Enter the partners', members' or shareholders' nonrefundable tax credits	8	00
(9) Kentucky income tax liability (line 7 less line 8)	9	00
(10) Estimated tax payments <input type="checkbox"/> Check if Form 740NP-WH-P attached	10	00
(11) Extension payment	11	00
(12) Prior year's tax credit	12	00
(13) Total Tax Paid on original return	13	00
(14) Total Payments (lines 10 through 13)	14	00
(15) Tax overpayment on original return	15	00
(16) Income Tax Due (line 9 and 15 less line 14) <b>TAX DUE</b>	16	00
(17) Income tax overpayment (line 14 less line 9 and 15)	17	00
(18) Credited to 2016 Interest	18	00
(19) Credited to 2016 Penalty	19	00
(20) Credited to 2017 NRWH	20	00
(21) Amount to be refunded (line 17 less lines 18 through 20) <b>REFUND</b>	21	00

<b>OFFICIAL USE ONLY</b>		<b>Make check(s) or money order(s) payable to: Kentucky State Treasurer</b>	<b>TAX PAYMENT SUMMARY</b>		
V A L #			1. Tax (Line 16) (Additional Tax Paid)	\$	.00
P W 2 0 4		<b>Mail to: Kentucky Department of Revenue Frankfort, KY 40619-0006</b>	2. Interest	\$	.00
			3. Penalty	\$	.00
			4. Total Payment	\$	.00

I, the undersigned, declare under the penalties of perjury, that I have examined this return, including all accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct and complete.

Print name of partner, member or shareholder \_\_\_\_\_ Signature of partner, member or shareholder \_\_\_\_\_ Daytime telephone number \_\_\_\_\_ Date \_\_\_\_\_

Name of person or firm preparing return \_\_\_\_\_ Date \_\_\_\_\_

\_\_\_\_\_  
SSN, PTIN or FEIN

<b>May the DOR discuss this return with the preparer?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No
Email Address: _____
Telephone No.: _____

A pass-through entity must complete this form and mail with payment to the Kentucky Department of Revenue by the 15th day of the fourth month following the close of the taxable year. Copy(ies) A of Form PTE-WH, or approved substitute, must be included.

**Purpose of this Form**—Form 740NP-WH (40A201) is used by every pass-through entity required to file a return as provided by KRS 141.206(2), except publicly traded partnerships as defined in KRS 141.0401(6)(r), to withhold Kentucky income tax on the distributive share, whether distributed or undistributed, of each nonresident individual partner, member or shareholder; or each C corporation partner or member that is doing business in Kentucky only through its ownership interest in a pass-through entity. Withholding shall be at the maximum rate provided in KRS 141.020 or 141.040. **It is also used to file a composite income tax return for those electing nonresident individual partners, members or shareholders exempt from withholding.**

**“Individual”** means an individual, estate or trust. The tax imposed by KRS 141.020 upon individuals shall apply to estates and trusts and to all fiduciaries. **KRS 141.030(1)**

**A “Partnership or S corporation partner, member or shareholder”** is not subject to withholding. A partnership or S corporation is classified as a pass-through entity as provided by KRS 141.010(26) and is not classified as a corporation or an individual.

Form PTE-WH (40A200) shall be completed for each partner, member or shareholder, and Copy A of PTE-WH for each partner, member or shareholder shall be **attached** to the **740NP-WH** filed with the Department of Revenue. The total income tax withheld on the PTE-WH forms, Line 9 must equal the amount on 740NP-WH, Line 9. Also, see the instructions on PTE-WH.

**NOTE:** Filing Form 740NP-WH on behalf of a nonresident (withholding or composite) will satisfy the nonresident filing requirement if the only Kentucky source income is through its ownership interest in a pass-through entity.

**Estimated Payments**—Effective for taxable years beginning on or after January 1, 2012, every pass-through entity required to withhold Kentucky income tax as provided by KRS 141.206(5) or files a composite income tax return as provided by KRS 141.206(16) (a) shall make a declaration and payments of estimated tax as required by KRS 141.206(6) if: (i) a nonresident partner’s, member’s or shareholder’s estimated tax liability can reasonably be expected to exceed \$500; or (ii) a corporate partner’s or member’s estimated tax liability can reasonably be expected to exceed \$5,000. **Complete Form 740NP-WH-P to compute the penalty and interest for late payment or underpayment of estimated tax installments.**

### Penalties

**Failure to file return by the filing date**—2 percent of the tax due for each 30 days or fraction thereof that the return is late (maximum 20 percent). The minimum penalty is \$10. **KRS 131.180(1)**

**Failure to pay income tax by the payment date**—2 percent of the tax due for each 30 days or fraction thereof that the payment is overdue (maximum 20 percent). The minimum penalty is \$10 for each tax. **KRS 131.180(2)**

**Late payment or underpayment of estimated tax**—10 percent of the late payment or underpayment. The minimum penalty is \$25. **KRS 131.180(3)**

### SPECIFIC INSTRUCTIONS

Enter taxable year ending at the top right of Form 740NP-WH. The taxable year ending is the same as the pass-through entity’s taxable year.

**Item A** – Enter the pass-through entity’s name and address. Check the box to indicate a change of name and/or address, if applicable.

**Item B** – Enter the pass-through entity’s Federal Employer Identification Number.

**Item C** – Enter the pass-through entity’s Kentucky Nonresident Income Tax Withholding (NRWH) Account Number. **If the account number is not known, contact Registration at (502) 564-3306.**

**Item D** – Check the box to indicate the type of return the pass-through entity is filing.

**Item E** – Check the applicable box(es) to indicate a change of accounting period and/or final return.

### LINE-BY-LINE-INSTRUCTIONS

**Line 1** – If filing a nonresident distributive share income withholding report, enter the number of nonresident individuals,

estates, trusts and corporations included in this withholding on distributive share income report that are not exempt.

**Line 2** – If filing a nonresident distributive share income withholding report, enter the number of nonresident individuals, estates, trusts and corporations exempt from withholding on distributive share income. Only include members exempt as provided by KRS 141.206.

**Line 3** – If filing a composite income tax return, enter the number of nonresident individuals, estates and trusts included in this composite income tax return.

**Line 4** – Enter the distributive share income of the nonresident individuals, estates, trusts and corporations included on Line 1, and/or the distributive share income of nonresident individuals, estates and trusts included on Line 3.

**Line 5** – Enter the apportionment fraction from the pass-through entity’s Schedule A, Section I, Line 12.

**Line 6** – Enter the amount of Line 4 multiplied by Line 5.

**Line 7** – Enter the amount of Line 6 multiplied by .06 (6%).

**Line 8** – Enter the partners', members' or shareholders' nonrefundable tax credits from Schedules K-1. **Note: Allowable tax credits are allowed only if the credits are reasonably expected to be claimed in the current taxable year. Carryforward tax credits not included on the current Schedule(s) K-1 shall not be allowed.**

**Line 9** – Enter the amount on Line 7 less Line 8.

**Line 10** – Enter the total estimated tax payments (Form 740NP-WH-ES Vouchers) made for the taxable year. Do not include the amount credited from the prior year.

**Line 11** – Enter the tax payment made with Form 40A201NP-WH-SL, Extension of Time to File Kentucky Form 740NP-WH (40A201).

**Line 12** – Enter the amount credited to 2016 from Form 740NP-WH, Line (18) of the 2015 return.

**Line 13** – Enter the amount of tax paid on the original return. **This line is only used when filing an amended return.**

**Line 14** – Enter the total payments listed on Lines 10 through 13.

**Line 15** – Enter the tax overpayment on the original return. **This line is used only when filing an amended return.**

**Line 16** – If the total of Lines 9 and 15 is greater than Line 14, enter the difference on this line and enter the amount in the Tax Payment Summary.

**Line 17** – If the total of Lines 9 and 15 is less than Line 14, enter the difference on this line.

**Line 18** – Enter the portion of Line 17 to be credited to 2016 Interest.

**Line 19** – Enter the portion of Line 17 to be credited to 2016 Penalty.

**Line 20** – Enter the portion of Line 17 to be credited to 2017 NRW.

**Line 21** – Enter the portion of Line 17 to be refunded (Line 17 less Lines 18 through 20).