

## KENTUCKY SALES AND USE TAX INSTRUCTIONS



**Due Date**—The return must be postmarked on or before the due date in order to be considered timely. If the due date falls on a weekend or legal holiday, the return must be postmarked on the next business day. A timely return must be filed, even if no sales were made or no tax is due. If during a filing period you did not make any sales and did not purchase any items subject to tax on line 23(a) or 23(b), write (0) on lines 1 and 20 and sign the signature block.

**Itemized Deductions**—To properly identify the specific deductions claimed on the return, write in the applicable deduction codes from the top portion of the worksheet in lines 2–19 of the return itself. For example, if resale certificates are on file to cover a portion of the total receipts recorded in line 1, label the resale portion of receipts as code 020 in the deduction section of the return.

The return provides space for only 10 itemized deductions. If more than 10 different deduction codes apply for a reporting period, please contact the Division of Sales and Use Tax via telephone or e-mail for further instructions.

When using the Other Codes 170, 180 or 190, be sure to describe the type of deduction(s) and amount(s) on the worksheet for your own records and in the description box on the reverse side of the return for Department of Revenue verification.

**Penalty Amounts**—The penalties are for (a) late filing of a return and (b) late payment of the tax due. Both of these penalties can apply to the same filing period.

These penalties are computed on the amount of tax due on the return. Each is 2 percent of the tax due on the return for each 30 days or fraction thereof that the return or payment is late. The minimum amount of each penalty is \$10. The percentage of each penalty will not exceed 20 percent of the total amount of tax due. Both penalties can apply to a return. **Penalty Note:** For any jeopardy assessment or estimated assessment issued the minimum late file penalty will be \$100. This includes zero

tax due returns that are filed late after a jeopardy or estimated assessment has been issued. In addition, criminal penalties for willful violations are provided by KRS 139.990.

*Example:* The August return is due September 20 but the return was filed on October 28 (before the department issues a jeopardy or estimated assessment). Tax due on the return was \$1,000.

*Computation of late filing penalty:*

Tax Due	\$1,000.00
Return is 38 days late, penalty of 4% (2% x two penalty periods)	<u>          x .04</u>

Late filing penalty (Computed penalty is greater than the \$10 minimum)	\$ 40.00
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*Computation of late payment penalty:*

Tax Due	\$1,000.00
Return is 38 days late, penalty of 4% (2% x two penalty periods)	<u>          x .04</u>

Late payment penalty (Computed penalty is greater than the \$10 minimum)	\$ 40.00
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Total penalties for the return are \$80.

**Total Penalty and Interest**—The combined penalty and interest totaled on line 32 of the worksheet is not carried down to the return itself. The sales tax system automatically totals the amounts, so the line item sequence from line 31 to line 33 on the return is by design. KRS 131.183 requires interest on underpayments and is computed at 2% above the tax interest rate. To calculate the interest, divide the annual interest percentage by 365 days, and multiply the result by the number of days late times the tax amount. Example, with facts from above: 2018 at 6% --- .06/365 X 38 days X \$1,000 = \$6.25.

(See Back for Further Information)

# NEED HELP?

Telephone assistance is available from 8:00 a.m. to 5:00 p.m. Monday through Friday. Assistance and forms are available from:



**Sales and Use Tax Assistance** (502) 564-5170  
**Telecommunication Device for the Deaf** (502) 564-3058

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

**E-mail Questions**  
[KRC.WebResponseSalesTax@ky.gov](mailto:KRC.WebResponseSalesTax@ky.gov)

## Taxpayer Service Centers

Ashland	(606) 920-2037	Louisville	(502) 595-4512
Bowling Green	(270) 746-7470	Northern Kentucky	(859) 371-9049
Frankfort	(502) 564-5930	Owensboro	(270) 687-7301
Corbin	(606) 528-3322	Paducah	(270) 575-7148
Hopkinsville	(270) 889-6521	Pikeville	(606) 433-7675

## Mailing Address for Assistance



Kentucky Department of Revenue  
Division of Sales and Use Tax  
PO Box 181, Station 53  
Frankfort, KY 40602-0181

----- **Cut Here and Enclose Account Maintenance Information With Return** -----

### ACCOUNT MAINTENANCE INFORMATION

Account number	Name as it currently appears on permit
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Request for cancellation (date business terminated) \_\_\_\_\_

Reason: \_\_\_\_\_

If sold, indicate name and address of new owners \_\_\_\_\_

Change location address to:

Street

City State ZIP code

Current Telephone Number \_\_\_\_\_

Change of business name

Name change only

Change mailing address to:

Street

City State ZIP code

Change in Ownership/Business Structure requires new registration and tax account numbers. Online registration is available at [OneStop.ky.gov](http://OneStop.ky.gov). If you need assistance or require a paper copy of the Tax Registration Application (form 10A100), please call the Division of Registration & Data Integrity at (502) 564-3306.

#### Types of Ownership Changes Requiring Form 10A100:

Individual to Individual/Partnership/Corporation/LLC  
Partnership to Partnership/Individual/Corporation/LLC  
Corporation to Corporation/Individual/Partnership/LLC  
LLC to LLC/Individual/Partnership/Corporation

The statements indicated are hereby certified to be correct to the best knowledge and belief of the undersigned who is duly authorized to sign this request.



Signature

Date