

# 2011 WHITLEY COUNTY, KENTUCKY NET PROFIT LICENSE FEE RETURN

WCOCC TAX # FED ID# OR SS# YEAR ENDED

**MAKE CHECK PAYABLE TO:**

WHITLEY COUNTY OCCUPATIONAL TAX

**MAIL TO:**

WHITLEY COUNTY OCCUPATIONAL TAX OFFICE  
P.O. BOX 268  
WILLIAMSBURG, KY 40769

PHONE 606-539-0477 FAX 606-539-0478

ADDRESS CORRECTION  AMENDED RETURN  
 FINAL RETURN

## SECTION A

1. NET PROFIT PER ATTACHED RETURN (SEE INSTRUCTIONS) \_\_\_\_\_
2. ADD ITEMS NOT DEDUCTIBLE (LIST) \_\_\_\_\_  
\_\_\_\_\_
3. DEDUCT ITEMS NOT SUBJECT (LIST) \_\_\_\_\_  
\_\_\_\_\_
4. TOTAL ( LINE ONE PLUS LINE TWO LESS LINE THREE) \_\_\_\_\_
5. SECTION B LINE D, OR 100% \_\_\_\_\_ %
6. NET PROFIT AFTER ADJUSTMENTS (LINE # 4 X LINE # 5) \_\_\_\_\_
7. DEDUCTION FROM SECTION C \_\_\_\_\_
8. COUNTY NET PROFITS (LINE 6 LESS LINE 7) \_\_\_\_\_
9. WHITLEY COUNTY LICENSE FEE (LINE 8 TIMES ONE PERCENT (1%)) \_\_\_\_\_
10. ESTIMATED PAYMENTS / CREDITS (see instructions for line # 10 other credits) \_\_\_\_\_
11. BALANCE (LINE 9 LESS LINE 10) \_\_\_\_\_
12. PENALTY-(see instructions) \_\_\_\_\_
- DATE EXTENTION FILED \_\_\_\_\_
13. INTEREST - 12% PER ANNUM \_\_\_\_\_
14. BALANCE DUE **PAY THIS AMOUNT** (LINE # 11 PLUS LINES # 12 AND # 13) \_\_\_\_\_

## SECTION B

### BUSINESS ALLOCATION PERCENTAGE FACTORS (ROUND TO NEAREST HUNDREDTH)

	COL. A COUNTY	COL B. TOTAL	COL. C COL A / COL B
A. GROSS INCOME .....	\$ _____	\$ _____	_____ %
(IF NOT APPLICABLE WRITE N/A IN COLUMN C)			
B. TOTAL WAGES & OTHER COMPENSATION ..	\$ _____	\$ _____	_____ %
(IF NOT APPLICABLE WRITE N/A IN COLUMN C)			
C. TOTAL PERCENTS (LINE A PLUS LINE B) .....			_____ %
D. AVERAGE PERCENTAGE (LINE C DIVIDED BY NUMBER OF APPLICABLE PERCENTS)			_____ %
IF ONLY ONE OF THE FACTORS ON LINE A & B, ENTER % FROM LINE C HERE. ENTER ON LINE #5			_____ %

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**SECTION C ALCOHOLIC BEVERAGE SALES DEDUCTION (\*\*ABSD\*\*)**

DIVIDE KENTUCKY ALCOHOLIC BEVERAGE SALES BY TOTAL SALES ( TOTAL SALES=GROSS RECEIPTS OF TOTAL SALES WHETHER FROM ALCOHOLIC BEVERAGE OR OTHERWISE.)

Line 1a ALCOHOLIC BEVERAGE SALES \_\_\_\_\_ Line 1 c = \_\_\_\_\_ %

Line 1b TOTAL SALES \_\_\_\_\_

Line 1d Enter net profit from **SECTION A LINE 6** \_\_\_\_\_ **X** Line 1 c = \_\_\_\_\_

**ENTER AMOUNT FROM LINE 1d ON SECTION A LINE 7**

**I HEREBY CERTIFY THAT THE STATEMENTS MADE HEREIN AND IN ANY SUPPORTING SCHEDULES ARE TRUE, CORRECT, AND COMPLETE TO THE BEST OF MY KNOWLEDGE.**

\_\_\_\_\_  
SIGNATURE OF TAXPAYER TITLE DATE

\_\_\_\_\_  
PREPARER INFORMATION DATE

**YOU MUST ATTACH A COMPLETE COPY INCLUDING ALL ATTACHMENTS OF YOUR FEDERAL AND STATE RETURN AS APPLICABLE (SEE INSTRUCTIONS). THIS RETURN MUST BE FILED AND AMOUNT DUE PAID IN FULL ON OR BEFORE APRIL 15, OR WITHIN 105 DAYS AFTER CLOSE OF FISCAL YEAR**

**EXTENSIONS**—An extension of time for filing the Net Profits License Fee Return or a copy of the Federal Extension Request must be filed with this office and will be granted for a period not to exceed six months.

The extension request must be a written request properly signed by the licensee or a duly authorized agent and received on or before the due date for filing. If not penalty and interest will be charged.

A copy of the federal Form 4868, 8736, or 7004 for the same year may be used for the written request, provided that the licensee's occupational license fee reporting number and business name is plainly noted thereon.

An extension of time for filing the Net Profits License Fee Return does not extend the time for payment of the license fee. Full payment of the estimated license fee liability must accompany the request for extension. Merely sending a tentative or estimated payment is not an acceptable request for an extension, and the written request for the extension must be on a separate paper from the check by which the estimated payment is made.

Interest at the rate of twelve (12) percent per annum simple interest shall apply to any unpaid license fee during the period of extension. No penalty shall be assessed if the estimated tax paid is within ninety percent (90%) of the total tax owed as shown on the Net Profits License Fee Return and all filing and payment requirements have been fulfilled and the final license fee and interest is paid with the filing of the Net Profits License Fee Return within the period as extended. Any extension shall be granted with the understanding that all prior filing and payment requirements have been fulfilled. However, if upon further examination it becomes evident that prior filing and payment requirements have not been fulfilled, interest and penalty shall be assessed in full and in the same manner as though no extension had been granted.

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## INSTRUCTIONS FOR NET PROFIT RETURN

### WHO MUST FILE?

ALL BUSINESSES REGARDLESS OF WHETHER THE BUSINESS RESULTED IN A PROFIT OR LOSS.

**THE OCCUPATIONAL LICENSE TAX IMPOSED SHALL NOT APPLY TO A PERSON OR BUSINESS ENTITY FOR COMPENSATION RECEIVED FOR THE RENTING OR LEASING OF ONE RESIDENTIAL RENTAL UNIT. A RENTAL UNIT MEANS "ANY ROOM OR ROOMS CONNECTED OR OTHER STRUCTURE OR PORTION THEREOF CONSTITUTING A SEPARATE INDEPENDENT ESTABLISHMENT OF PREMISES FOR RENT, LEASE, OR SUBLEASE TO THE OCCUPANT THEREOF".**

ENCLOSE ONE COMPLETE COPY OF THE FEDERAL INCOME TAX RETURN AND ALL SUPPORTING STATEMENTS AND SCHEDULES AT THE TIME OF FILING THE OCCUPATIONAL LICENSE TAX RETURN WITH THE COUNTY. INCLUDING, BUT NOT LIMITED TO, PAGES 1 THROUGH 4 OF CORPORATE OR PARTNERSHIP RETURNS, FORM 8825, STATEMENT OF OTHER INCOME, STATEMENT OF OTHER COST, STATEMENT OF TAXES, AND STATEMENT OF OTHER DEDUCTIONS.

<b>SELF EMPLOYED</b>	SCH C & D (1040)/FEDERAL	<b>CORPORATION</b>	ALL PAGES OF FEDERAL 1120
<b>RENTALS</b>	SCH E (1040)/FEDERAL	<b>S CORPORATION</b>	ALL PAGES OF FEDERAL 1120S
	FORM 4835/(1040)FEDERAL	<b>PARTNERSHIP</b>	ALL PAGES OF FEDERAL 1065
<b>FARMING</b>	SCH F (1040)/FEDERAL	<b>ESTATES OR TRUSTS</b>	KY 741 AND FEDERAL 1041

**CONTRACTORS:** DEFINED AS ANY BUSINESS WHICH INCURS SUB-CONTRACT FEES AND/OR CONTRACT LABOR/SERVICE EXPENSES. YOU MUST ATTACH A LIST OF ALL SUBCONTRACTORS AFFILIATED WITH YOUR WORK IN WHITLEY COUNTY. INCLUDE NAME, ADDRESS, TELEPHONE NUMBER, AND FEDERAL ID#. YOU MAY SUBMIT 1099'S OR LIST.

**SECTION A - TAX COMPUTATION** SHOULD BE COMPLETED BY ALL PERSONS/ ALL BUSINESSES WHO HAVE WHITLEY COUNTY SALES, RENTALS, SERVICES, AND/OR PAYROLLS. FOLLOWING IS A LINE BY LINE INSTRUCTION.

**LINE 1.** ENTER THE NET PROFIT OR LOSS FROM THE FORMS WHICH APPLY TO YOU. **ALL PARTNERSHIPS AND S CORPORATIONS AND OTHER ENTITIES WHERE INCOME IS "PASSED THROUGH" TO THE OWNERS ARE SUBJECT TO THE OCCUPATIONAL LICENSE TAX AND THE OCCUPATIONAL LICENSE TAX IMPOSED IS ASSESSED AGAINST INCOME BEFORE IT IS "PASSED THROUGH" THESE ENTITIES TO THE OWNERS. ADD BACK STATE AND/OR LOCAL TAXES BASED ON INCOME.**

A SEPARATE NET PROFIT RETURN MUST BE COMPLETED FOR EACH BUSINESS. Example, a self employed entity who has a farm schedule F, a schedule C and a rental schedule E may **NOT combine their schedules profits/and or losses together.**

### THE WHITLEY COUNTY TAX ORDINANCE DEFINES NET PROFIT:

"Net profit" means gross income as defined in Section 61 of the Internal Revenue Code minus all the deductions from gross income allowed by Chapter 1 of the Internal Revenue Code, and adjusted as follows:

- Include** any amount claimed as a deduction for state tax or local tax which is computed, in whole or in part, by reference to gross or net income and which is paid or accrued to any state of the United States, local taxing authority in a state, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or any foreign country or political subdivision thereof;
- Include** any amount claimed as a deduction that directly or indirectly is allocable to income which is either exempt from taxation or otherwise not taxed;
- Include** any amount claimed as a net operating loss carry back or carry forward allowed under Section 172 of the Internal Revenue Code;
- Include** any amount of income and expenses passed through separately as required by the Internal Revenue Code to an owner of a business entity that is a pass-through entity for federal tax purposes; and
- Exclude** any amount of income that is exempt from state taxation by the Kentucky Constitution, or the Constitution and statutory laws of the United States;

**LINE 2. ITEMS NOT DEDUCTIBLE "ADD BACK" (ATTACH LIST).**

**LINE 3. ITEMS NOT SUBJECT (ATTACH LIST)**

**LINE 5.** IF YOUR BUSINESS SALES AND PAYROLL IS EXCLUSIVE TO WHITLEY COUNTY, ENTER 100% AND GO TO LINE 6. OTHERWISE, COMPLETE SECTION B AND ENTER THE PERCENTAGE FROM LINE D HERE.

**LINE 10.** THE AMOUNT OF ANY ESTIMATED PAYMENTS OR CREDITS OR ANY BUSINESS LICENSE/PRIVILEGE LICENSE PAID TO **WHITLEY COUNTY.**

### PENALTIES AND INTEREST LINES 12 AND 13

A business entity subject to tax on net profits shall be subject to a penalty equal to five percent (5%) of the tax due for each calendar month or fraction thereof if the business entity fails to file any return or report on or before the due date prescribed for filing or as extended by the County; or fails to pay the tax computed on the return or report on or before the due date prescribed for payment. The total penalty levied shall not exceed twenty-five percent (25%) of the total tax due; however, the penalty shall not be less than twenty-five dollars (\$25). In addition to the penalties, any business entity or employer shall pay, as part of the tax, an amount equal to twelve percent (12%) per annum simple interest on the tax shown due, but not previously paid, from the time the tax was due until the tax is paid to the County.