

Shelby County, Kentucky NET PROFIT LICENSE FEE RETURN

Tax Year _____

Calendar	Fiscal Year Ended
Year	Mo. Day Year

or

Print name and address of business below

SECTION A

1. Check which: Corporation Fiduciary
 Partnership Individual Owner
2. Social Security and/or Federal I.D.# _____
3. Type of Business: _____
4. Did you have any employees working in Shelby County this year? Yes No
5. Telephone number: Business _____
Home _____
6. Date business was started _____
If organization was discontinued state when _____

SECTION B

* ENCLOSE ONE COPY OF THE KENTUCKY/FEDERAL RETURN AS APPLICABLE (SEE INSTRUCTIONS)

SCH C (1040)/Federal
SCH F (1040)/Federal
KY 740 SCH E (Rental Income if a business)
KY 741
KY 765
KY 720 or 720 S (Must attach 1120 S)

(DO NOT WRITE IN THIS SPACE)

**MAKE CHECK PAYABLE TO:
OCCUPATIONAL LICENSE FEE ADMINISTRATOR
MAIL TO: OCCUPATIONAL LICENSE
FEE ADMINISTRATOR
215 Washington St., Shelbyville, KY 40065**

9. Total gross income per attached return..... \$ _____
10. Total deductions per attached return..... _____
11. Net income per attached return..... _____
12. Add items not deductible (Line G, Section C)..... _____
13. Total (Line 11 plus Line 12)..... _____
14. Deduct items not subject (Line N, Section C)..... _____
15. ADJUSTED NET INCOME (Line 13 less Line 14)..... _____
16. If Section D (Line O) is used enter here average percentage..... _____
17. Net profits subject to license fee (Line 15 X Line 16)..... _____
- 17A. Enter \$10,000 exemption**..... _____
- 17B. Net profit subject to license fee (Line 17 – Line 17A)..... _____
18. Shelby County License Fee (01 X Line 17B, maximum \$5,000).... _____
19. Credits – Extension or estimated payment \$ _____
20. Balance (Line 18 less Line 19)..... _____
21. Interest – 10 percent per annum..... _____
22. Penalty – After (30) days from due date 2% per month.....
(Penalty waived per approved county extension date of ___/___/___)
23. Total due (Line 20 plus Line 21 plus Line 22)
PAY THIS AMOUNT..... \$ _____

SECTION C

ITEMS NOT DEDUCTIBLE

- A. State or local taxes based on income..... \$ _____
- B. License fee under this ordinance..... _____
- C. Capital loss (Fiduciary only)..... _____
- D. Net operating loss carryover..... _____
- E. Partners' salaries (attach schedule)..... _____
- F. Other items (Misc. income) (List)..... _____
- G. TOTAL ADDITIONS (enter on Line 12)..... _____

ITEMS NOT SUBJECT

- H. Interest on corporate bonds..... \$ _____
- I. Interest on US Government Securities..... _____
- J. Royalties on patents, copyrights..... _____
- K. Dividends..... _____
- L. Net capital gain..... _____
- M. Other items (list)..... _____
- N. TOTAL DEDUCTIONS (enter on Line 14)..... _____

SECTION D

Business Allocation Percentage • Divide (Col. A) by (Col. B) to obtain decimal. Carry out at least 6 places.

ALLOCATION FACTORS	COL. A SHELBY COUNTY	COL. B TOTAL	COL. C PERCENTAGE
O. Gross income if not applicable write N/A in Column C (enter on Line 16)	\$	\$	%

I hereby certify that the statements made herein and in any supporting schedules are true, correct and complete to the best of my knowledge
Return must be signed

Signature _____

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**SHELBY COUNTY, KENTUCKY
NET PROFIT LICENSE FEE RETURN
INSTRUCTIONS**

The Shelby County Net Profit License Fee is levied at the annual rate of 1 percent of the net profits of all occupations, trades, professions or other businesses engaged in said activities in the county. The fee is levied against a partnership, or association as a business entity; therefore, the individual partners or members are not required to file a return on their distributive share of the profits. The Net Profit License Fee return to be filed by all businesses including farmers and self-employed persons having receipts within Shelby County, excluding the City of Shelbyville, must be based on the net income as reported to the Commonwealth of Kentucky. The Net Profit License Fee Return must be filed before April 15, if license is on a calendar year, or 105 days after the end of the fiscal year, sale, liquidation or transfer. Checks or money orders should be made payable to the occupational license fee administrator.

BASIS OF LICENSE FEE

In computing the amount due, the licensee begins with gross income less total deductions as shown by their Kentucky Income Tax Return. Below is a list of business types with applicable Kentucky or Federal Tax form shown to the right. A copy of the completed applicable tax form MUST accompany the Net Profit License Fee Return.

Individual Proprietorship	Schedule C, 1040 Federal Tax Form Schedule F, 1040 Federal Tax Form KY Revenue For 740 Sch E (Rental Income if a business)
Fiduciary.....	KY Revenue Form 741
Partnership.....	KY Revenue Form 765
Corporation	KY Revenue Form 720 or 720 S (Must Attach 1120S)

INSTRUCTIONS FOR ALL LICENSEES

The Shelby County License Fee Office collects Net Profit Fees from businesses and individuals within Shelby County, excluding the City of Shelbyville. The minimum net income of \$10,000.00 should be earned before any Shelby County Net Profit License Fees are due. All persons shall file a return with or without the minimum net profit of \$10,000.00.

SECTION A

Lines 1 through 8 are questions which must be answered by each Licensee. Please answer each question completely.

SECTION B

- Line 9 Enter gross income as shown by the appropriate Return.
- Line 10 Enter total deductions as shown by Return.
- Line 11 Enter net income as shown by the Return.
- Line 12 Add items not deductible totaled on Line G of Section C.
- Line 13 Total Line 11 and 12.
- Line 14 Deduct items not subject totaled on Line N of Section C.
- Line 15 Enter Line 13 less Line 14.
- Line 16 Enter average percentage as determined in Section D.
- Line 17 Enter profits subject to Shelby County License Fee (Line 15 x Line 16).
- Line 17A. Enter \$10,000 exemption.
- Line 17B. Enter net profit subject to Shelby County License Fee. (Line 17 less Line 17A)
- Line 18 Enter 1% of Line 17B (maximum \$5,000).
- Line 19 Deduct credits of extension and/or estimated payments.
- Line 20 Balance (Line 18 less Line 19).
- Line 21 Enter interest.
- Line 22 Enter penalty.
- Line 23 Enter amount due, Line 20 plus Line 21 plus Line 22 (Pay this amount to the Occupational License Fee Administrator).

*If an extension is necessary, a written request and copy of Federal application for extension must be submitted to Occupational Licensee Fee Administrator before the due date of the Net Profit Licensee Fee Return. If extension is granted, enter date of Line 22. Interest remains due from original due date (see Line 21).

SECTION C

Section C is provided for the License to add (Line A-F) items which are subject to the License Fee. Most of these appear as a part of the deductions taken on the Kentucky Return; therefore, they must be added back on Line 12. Lines H-L of Section C provide for the specific deduction of items not subject to the License Fee. Many of these items are only taxable for Kentucky Income Tax purposes so they must be deducted on Line 14. Attach applicable schedule explaining any deductions on Line M.

SECTION D

Section D (Line O) must be completed by licensees with gross income and/or other compensation, both within and without Shelby County. Completion of this section allocates the proportionate share of total business activity attributable to Shelby County excluding the City of Shelbyville.

ANY QUESTIONS SHOULD BE DIRECTED TO
THE OCCUPATIONAL LICENSEE FEE ADMINISTRATOR, 215 WASHINGTON ST., SHELBYVILLE, KY 40065
PHONE: (502) 633-7685