

SCOTT COUNTY NET PROFITS LICENSE FEE RETURN

20__

QUESTIONS (ANSWER FULLY)

1. Nature of Business _____
2. Date of Business started in Scott County _____
3. If Business was discontinued, State When _____
Dissolution or sale If by Sale, Give Name and Address of Successor _____
4. Did you have employees in Scott County? Yes No
5. Basis on which this return is prepared - Cash Accrual
6. Check Which: Corporation Sub-Chapter S Partnership
 Fiduciary or Estate Individual Owner Other _____
7. Have Federal Authorities Changed the Net Income as Originally Reported for any Prior Year? Yes No If "Yes", Attach Schedule of Changes for Each Year.

Name and Address of Business _____

ACCOUNT NUMBER _____

CALENDAR/FISCAL YEAR ENDED

Month	Day	Year

OFFICE HOURS:
8:30 - 4:30 MON. - FRI.

Attach a copy of Federal Return Form used as a basis of License Fee.

TELEPHONE
(502) 863-7878

IMPORTANT

Employee ID or Soc. Sec. No. _____

Please notify this office of any change of the above.

SCHEDULE A

1. Net Business Income per Federal Return				
2. ADD Items not deductible (Line F, Schedule B)				
3. Total (Line 1 plus Line 2)				
4. DEDUCT Items not subject (Line J, Schedule B)				
5. ADJUST NET BUSINESS INCOME (Line 3 less Line 4)	\$			
6. If Sch. C (Line 4) is used enter here AVERAGE PERCENTAGE		%		
7. NET PROFITS subject to License Fee (Line 5 x Line 6)				
8. LESS \$10,000 - Net Profit Exemption	\$	(10,000	00)	
9. ADJUSTED NET PROFITS (Line 7 less Line 8). If less than "0", enter "NONE"	\$			
10. License Fee (1% of Line 9)	\$			
11. Penalty - 1 1/2% per month or portion of month				
12. Interest - 8% per annum or portion of month				
13. Total (Lines 10 + 11 + 12)	\$			
14. Less credits - <input type="checkbox"/> ESTIMATE <input type="checkbox"/> OTHER				
15. BALANCE DUE (Line 13 less Line 14 pay this amount)	\$			
16. If estimate overpaid indicate <input type="checkbox"/> Refund or <input type="checkbox"/> Credit	\$			

Scott County Tax Administrator
MAIL TO:
Scott County Tax Administrator
P.O. Box 973
Scott County Courthouse
Georgetown, Kentucky 40324

SCHEDULE B

NOTE: ADD AND/OR DEDUCT ONLY THOSE ITEMS WHICH ARE INCLUDED IN CALCULATING NET INCOME PER FEDERAL RETURN

ITEMS NOT DEDUCTIBLE — ADD

- A. State or Local taxes based on income
- B. Capital Gain - Business Portion
- C. Net Operating Loss Deduction
- D. Partners Salaries (attach schedule)
- E. Other Items (list)
- F. TOTAL ADDITIONS (enter on Line 2)

ITEMS NOT SUBJECT — DEDUCT

- G. Interest
- H. Dividends
- I. Other (attach schedule)
- J. TOTAL DEDUCTIONS (enter on Line 4)

SCHEDULE C

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

APPORTIONMENT FACTORS	Column A SCOTT COUNTY FACTOR	Column B TOTAL FACTOR	Column C PERCENTAGE
1. Total Gross Business Receipts (see reverse side)	\$	\$	%
2. Total Wages, Salaries and Other Personal Service Compensation Paid to Employees	\$	\$	%
3. TOTAL PERCENTS			%
4. AVERAGE PERCENTAGE (Line 3 divided by number of percents)		Enter on Line 6 ...	%

I Hereby certify that the information, statements, schedules and exhibits filed herewith are true and correct.

Signed _____ Date _____ Title _____

INSTRUCTIONS

The Scott County Net Profits License Fee is levied at the annual rate of 1% effective July 1, 1986, of the net profits of all occupations, trades, professions or other business engaged in said activities in Scott 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 Scott County Form SCT-4 to be filed by all subject businesses (business having some receipts, payroll, and/or property within Scott County) must be based on the net income as reported to the federal government, therefore, the basis used (i.e. cash or accrual) must be consistent for both Federal Income Tax and Scott County License Fee Returns. The Form SCT-4 must be filed on or before April 15, if taxpayer is on a calendar year, or 105 days after either the end of the fiscal year, sale, liquidation or transfer of business. Checks or money orders should be made payable to the Scott County Tax Administrator. The instructions below facilitate the computation of the Net Profit Fee.

BASIS OF LICENSE FEE

In compiling the Scott County License, the net income is based upon applicable Federal forms by taxpayer as follows:

Individual Proprietorship	U.S. Treasury Form 1040, Separate Schedule C, Schedule E or Schedule F
Estates and Trusts	U.S. Treasury Form 1041
Partnership	U.S. Treasury Form 1065
Corporation	U.S. Treasury Form 1120
Sub-Chapter S Corporation	U.S. Treasury Form 1120-S

INSTRUCTIONS FOR ALL TAXPAYERS/SCHEDULE A

Line 1	-	Enter Net Income as shown by Federal Return
Line 2	-	Add subject items totaled on Line F of Schedule B
Line 3	-	Total Lines 1 and 2
Line 4	-	Deduct items not subject totaled on Line J of Schedule B
Line 5	-	Enter Line 3 less Line 4
Line 6	-	Enter average percentage as determined in Schedule C (If Applicable)
Line 7	-	Enter profits subject to Scott County License Fee – Line 5 x Line 6
Line 8	-	Less \$10,000 – Net Profit Exemption (Prorated if less than a year)
Line 9	-	Adjusted Net Profits (Line 7 less Line 8), If less than “0” enter “NONE”
Line 10	-	License Fee @ 1% of Line 9
Line 11	-	Interest – 8% per annum
Line 12	-	Penalty – 1 ½ % per month or portion of month
Line 13	-	Total (Lines 10 + 11 + 12)
Line 14	-	Less Credits, Estimates
Line 15	-	Balance Due (Line 13 less Line 14) pay this amount
Line 16	-	If estimate overpaid indicate Refund, Credit

**** TENTATIVE PAYMENTS –** An Extension may be granted (maximum time as allowed per Federal extensions) without penalty if a payment of at least 50% of the tax estimated to be due is made with the request before that due date. Interest shall be due and payable at the rate of 8% PER ANNUM from the original due date until filed and paid.

SCHEDULE B

The Computation of License Fee provides for the adjustment of income as shown by your Federal Income Tax Return to the provisions of the Scott County License Fee Ordinance.

Schedule B is provided for the taxpayer to add (Lines A-E) items which are subject to the License Fee. Most of these appear as a part of the deductions taken on the Federal Return, therefore, they must be added back on Line 2 of Schedule A. Lines G-I of Schedule B provide for the deduction of items not subject to the License Fee. Of these items that are taxable for Federal Income Tax purposes deductions may be made on Line 4. For specific taxpayers Schedule B applies as follows:

INDIVIDUAL PROPRIETORSHIPS: Lines D, E, G, H and I are not applicable as they do not appear on Treasury Form 1040, Schedule C, E or F. Line A is for the addition of State and local taxes based upon income and License Fee under this ordinance, if either was taken as a deduction in the determination of Line 1. As separate Schedule C, E or F, U.S. Treasury Form 1040 does not include business capital gains. Line B should show such business gains. Include in Line F, and itemized on a schedule, other business income not included in total business receipts on the Federal Schedule C, E or F.

PARTNERSHIPS, ASSOCIATIONS, ETC.: Net operating loss deductions (Line C) do not appear on a Federal Partnership Return, therefore Line C is not applicable. Line D – All payments to partners deducted on U.S. Treasury Form 1065 must be entered here and a schedule attached.

CORPORATIONS: Line D or E is not applicable. Net Income from U.S. Treasury Form 1120 and 1120-S should be adjusted by the items listed in Schedule B. Capital gains included in net income on the Federal Return must be adjusted to eliminate any capital loss carry-over.

SCHEDULE C

Schedule C must be completed by taxpayers with Business Receipts (1), Payroll (2), both within and without Scott County. Completion of the schedule apportions to Scott County the proportionate part of the taxpayer's total business activity attributable to the County. However, if one of the two factors (business receipts/payroll) is missing the remaining factor is the Average or Business Allocation Percentage (Line 4 of Schedule C). A factor (business receipts/payroll) is not missing merely because the expenditures of the License for payroll or gross receipts, are found to be situated either entirely within or without the County.

1. “Business Receipts” means the sum total of gross receipts from sales plus gross credits or charges for work done or services performed.
2. “Payroll” means total wages, salaries and other employee's personnel service compensation.