

NET PROFIT LICENSE FEE RETURN INSTRUCTIONS

NOTE: If work is performed in the city of Russellville, Lewisburg, Auburn and Adairville, it is still taxable for County.

GENERAL - In the case of an individual, partnership, association, corporation, fiduciary or other entity engaged in the conduct or operation of any business profession or enterprise, there is imposed an annual license fee being 3/4 percent (.75%) of the net profits of such business, profession or other enterprise if and to the extent of business conducted in or derived from activity in

In the event of a net loss, a return still must be filed along with a copy of your federal return showing the loss. IF NO WORK WAS PERFORMED DURING THE TAX YEAR THEN YOU NEED TO STATE "NO WORK PERFORMED" SIGN IT AND RETURN THE FORM BY THE DUE DATE TO AVOID THE \$25.00 PENALTY!!! RETURNS MUST BE POST-MARKED BY DUE DATE TO AVOID LATE CHARGES.

WHO SHOULD FILE - Every person or business entity engaged in any business for profit and any person that is required to make a filing with the IRS or the Kentucky Revenue Cabinet shall be required to file a Net Profit License Fee Return with the Logan County Occupational Tax Director. If you filed a return last year you will need to file one this year unless you officially closed your account.

WHEN TO FILE - The Net Profit License Fee Return must be filed on or before April 15 if licensee is on a calendar year. Fiscal year returns are due 105 days after the Federal Tax Year end. If due date falls on Saturday, Sunday or legal holiday the return may be filed on the next succeeding day which is not a Saturday, Sunday or legal holiday.

EXTENSION REQUESTS - If an extension of time for filing is necessary, a copy of your federal extension must be submitted on or before the due date of the return. Regardless of the number of extensions approved, all license fees remaining unpaid after they become due shall bear interest at the rate of 1% per month or a fraction of a month.

All License Fees remaining unpaid after the original due date, or approved extension date, whichever is later, will be subject to a five 5% penalty per month or portion of a month of the unpaid license fees. Penalty cannot be less than \$25.00, but cannot be more than 25% of the total tax due.

REFUNDS - Where there has been an overpayment of tax, a refund or credit shall be made to the taxpayer to the extent of overpayment only if a written application for refund is received from the taxpayer within two (2) years from the date the overpayment was made.

ALCOHOLIC BEVERAGE SALES FORMULA - Kentucky alcoholic beverage sales divided by total sales equal the alcoholic beverage percentage. Multiply the alcoholic beverage percentage by the net profit of the business. A deduction may be taken only if the business engaged in the selling of alcoholic beverages had a profit. Attach a copy of the computation sheet to the tax form.

All returns must be post-marked by the due date to avoid late fees.

SECTION B	
ITEMS NOT DEDUCTIBLE	ITEMS NOT SUBJECT
19 State or Local taxes based on income _____	25 Interest Income _____
20 License Fee Under this Ordinance _____	26 Dividend Income _____
21 Partners Guaranteed Payments _____	27 Allowable Pass Through Expenses _____
22 Net Operating Loss Carryover _____	28 Alcoholic Beverage Sales Deduction _____
23 Other (specify) _____ (Attach separate schedule if necessary)	29 Other (specify) _____ (attach Separate schedule if necessary)
24 TOTAL ADDITIONS _____	30 TOTAL DEDUCTIONS _____
(Enter on Line 6)	(Enter on Line 8)

SECTION C

Section C (Lines 31-34) must be completed by licensees with gross income and/or wages, salaries and other compensation, within the limits of Logan County. Completion of this section allocates the proportionate share of total business activity attributable to Logan County. If gross income or payroll exists, but not within the limits of Logan County, a zero percentage should be added in Column C when calculating the Average Percentage (Line 34) Note: Any work performed in a city limit of Logan County, is taxable for this county tax.

ALLOCATION FACTORS	Column A Logan County	Column B TOTAL	Column C PERCENTAGE
31 Gross Receipts/Sales (if not applicable, write N/A in Column C)	\$ _____	\$ _____	%
32 Total Wages, Salaries and Other Compensation (if not applicable, write N/A in Column C)	\$ _____	\$ _____	%
33 TOTAL PERCENTS (Line 31 Column C plus Line 32 Column C			%
34 AVERAGE PERCENTAGE (Line 33 divided by number of applicable percents)..... Enter on line 10 on front			%

******NOTICE**** DO NOT DIVIDE BY 2 IF NOT USING BOTH FACTORS**