

**CITY OF SIMPSONVILLE, KENTUCKY
NET PROFIT LICENSE FEE RETURN**

Under Ordinance 2016-002

Tax Year _____

Calendar		Fiscal Year Ended		
Year	or	Mo.	Day	Year

Print name and address of business below

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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 Simpsonville this year? Yes No
5. Telephone Number: Business _____
Home _____
6. Date Business Was Started _____
7. If organization was discontinued state when _____
8. Did you pay a Business License Fee for Previous Year _____

SECTION B

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

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) _____
18. Simpsonville License Fee (.5% X Line 17B, Minimum \$100 Maximum \$3000) _____
19. Credits - Business License, Extension or Estimated payment \$ _____
20. Balance (Line 18 Less Line 19) _____
21. Interest 5% per Month or Fraction Thereof _____
22. Penalty: 12% after due date
(Penalty waived per approved city extension date of ___/___/___)
23. Total due (Line 20 plus Line 21 plus Line 22) \$ _____
Pay This Amount

SCH C (1040)/Federal
SCH F (1040)/Federal
KY 740 SCH E -
(Rental Income if a business)
KY 741
KY 755
KY 720 or 720 S (Must attach 1120s)

(DO NOT WRITE IN THIS SPACE)

MAKE CHECK PAYABLE TO:
City of Simpsonville
Mail To: CITY OF Simpsonville
P.O. BOX 378, Simpsonville, KY 40067

SECTION C

ITEMS NOT DEDUCTIBLE		ITEMS NOT SUBJECT	
A. State or Local taxes based on income	\$ _____	H. Interest on corporate bonds	\$ _____
B. License fee under this ordinance	_____	I. Interest on US Government Securities	_____
C. Capital Loss (Fiduciary only)	_____	J. Royalties on patents, copyrights	_____
D. Net operating loss carryover	_____	K. Dividends	_____
E. Partners' salaries (attach schedule)	_____	L. Net capital gain	_____
F. Other items (Misc. Income) (List)	_____	M. Other items (list)	_____
G. TOTAL ADDITIONS (enter on Line 12)	_____	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 Simpsonville	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 schedule are true, correct & complete to the best of my knowledge.
RETURN MUST BE SIGNED

Signature _____

Title _____

Date _____

SIMPSONVILLE, KENTUCKY
NET PROFITS LICENSE FEE RETURN
INSTRUCTIONS

The City of Simpsonville Net Profit License Fee is levied at the annual rate of .5% of the net profits of all occupations, trades, professions or other businesses engaged in said activities in the city. The fee is levied against a partnership, or association as a business entity; therefore, the individual partners or member are not required to file a return on their distributive share of the profits. The Net Profits License Fee return to be filed by all businesses including self employed persons having receipts within the City of Simpsonville, must be based on the net income reported to the Commonwealth of Kentucky. The Net Profit License Fee Return must be filed by April 15, if license is on a calendar year, or before the 15th day of the fourth month after the close of the fiscal year, sale, liquidation or transfer. Checks or money orders should be made payable to the City of Simpsonville.

BASIS OF LICENSE FEE

In computing the amount due, the license 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 forms 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 Return Schedule F, 1040 Federal Tax Return KY Revenue Form 740 Schedule 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 City of Simpsonville License Fee Office collects Net Profit Fees from business and individuals within the City of Simpsonville.

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 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 Simpsonville License Fee. (Line 15 X Line 16).
- Line 18 Enter ½ % of Line 17B (Minimum \$100 Maximum \$3000)
- Line 19 Deduct credits (Business License, Extension 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 City of Simpsonville).

*If an extension is necessary, a written request and copy of Federal application for extension must be submitted to the City of Simpsonville before the due date of the Net Profit License Fee Return. If extension is granted, enter date on 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 those appear as a part of the deductions taken on the Kentucky Form; 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 the items are only taxable for Kentucky Income Tax purposes so they must be deducted on Line 14. Attach applicable schedule explaining only deductions on Line M.

Section D

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

ANY QUESTIONS SHOULD BE DIRECTED TO
THE CITY OF SIMPSONVILLE, P.O. BOX 378, SIMPSONVILLE, KY 40067
PHONE: (502) 722-8110