

KENTUCKY SALES AND USE TAX INSTRUCTIONS



Due Date—The return must be postmarked on or before the due date in order to be considered timely. If the due date falls on a weekend or legal holiday, the return must be postmarked on the next business day. A timely return must be filed, even if no sales were made or no tax is due. If during a filing period you did not make any sales and did not purchase any items subject to tax on line 23(a) or 23(b), write (0) on lines 1 and 20 and sign the signature block.

Itemized Deductions—To properly identify the specific deductions claimed on the return, write in the applicable deduction codes from the top portion of the worksheet in lines 2–19 of the return itself. For example, if resale certificates are on file to cover a portion of the total receipts recorded in line 1, label the resale portion of receipts as code 020 in the deduction section of the return.

The return provides space for only 10 itemized deductions. If more than 10 different deduction codes apply for a reporting period, please call the Sales and Use Tax Division for further instructions.

When using the Other Codes 180 or 190, be sure to describe the type of deduction(s) and amount(s) on the worksheet for your own records and in the description box on the reverse side of the return for Department of Revenue verification.

Penalty Amounts—The penalties are for (a) late filing of a return and (b) late payment of the tax due. Both of these penalties can apply to the same filing period.

These penalties are computed on the amount of tax due on the return. Each is 2 percent of the tax due on the return for each 30 days or fraction thereof that the return or payment is late. The minimum amount of each penalty is \$10. The percentage of each penalty will not exceed 20 percent of the total amount of tax due. Both penalties can apply to a return. **Penalty Note:** For any jeopardy assessment or estimated assessment issued for periods after January 1, 2003, the minimum late file penalty

will be \$100. This includes zero tax due returns that are filed late when a jeopardy or estimated assessment has been issued. In addition, criminal penalties for willful violations are provided by KRS 139.990.

Example: The August return is due September 20 but the return was filed on October 28 (before a jeopardy or estimated assessment was issued by the department). Tax due on the return was \$1,000.

Computation of late filing penalty:

Tax Due	\$1,000.00
The return was 38 days late so the penalty is 4% (2% x two penalty periods)	<div style="border-top: 1px solid black; display: inline-block; width: 50px;">x .04</div>
Late filing penalty (Computed penalty is greater than the \$10 minimum)	\$ 40.00

Computation of late payment penalty:

Tax Due	\$1,000.00
The payment was 38 days late so the penalty is 4% (2% x two penalty periods)	<div style="border-top: 1px solid black; display: inline-block; width: 50px;">x .04</div>
Late payment penalty (Computed penalty is greater than the \$10 minimum)	\$ 40.00

Total penalties for the return are \$80.

Total Penalty and Interest—The combined penalty and interest totaled on line 32 of the worksheet is not carried down to the return itself. The sales tax system automatically totals the amounts, so the line item sequence from line 31 to line 33 on the return is by design. HB 704, effective May 1, 2008, requires interest on underpayments to be computed at 2% above the annual rate per KRS 131.183. See the June 2008 **Kentucky Sales Tax Facts** for additional interest revisions.

(See Back for Further Information)

NEED HELP? Telephone assistance is available from 8:00 a.m. to 5:00 p.m. Monday through Friday. Assistance and forms are available from:



Sales and Use Tax Assistance (502) 564-5170
Telecommunication Device for the Deaf (502) 564-3058

Internet Access
www.revenue.ky.gov

E-mail Questions
KRCWebResponseSalesTax@ky.gov

Taxpayer Service Centers

Ashland	(606) 920-2037	Louisville	(502) 595-4512
Bowling Green	(270) 746-7470	Northern Kentucky	(859) 371-9049
Central KY	(502) 564-4581	Owensboro	(270) 687-7301
Corbin	(606) 528-3322	Paducah	(270) 575-7148
Hopkinsville	(270) 889-6521	Pikeville	(606) 433-7675

Mailing Address for Assistance



Kentucky Department of Revenue
 Sales and Use Tax Division
 PO Box 181, Station 53
 Frankfort, KY 40602-0181

----- **Cut Here and Enclose Account Maintenance Information With Return** -----

ACCOUNT MAINTENANCE INFORMATION

Account number _____	Name as it currently appears on permit _____	<input type="checkbox"/> Change mailing address to: _____ Street _____ City State ZIP code
<input type="checkbox"/> Request for cancellation (date business terminated) _____ Reason: _____ If sold, indicate name and address of new owners _____ _____ _____		<input type="checkbox"/> Change in ownership (Complete Form 10A100, Kentucky Tax Registration Application, which will be mailed to you upon receipt of this form.) Form 10A100 may also be obtained by calling (502) 564-3306 or from the tax forms page of the Department of Revenue Web site listed above.
<input type="checkbox"/> Change location address to: _____ Street _____ City State ZIP code _____ Current Telephone Number _____		<p>Types of Ownership Changes Requiring Form 10A100:</p> Individual to Individual/Partnership/Corporation/LLC Partnership to Partnership/Individual/Corporation/LLC Corporation to Corporation/Individual/Partnership/LLC LLC to LLC/Individual/Partnership/Corporation
<input type="checkbox"/> Change of business name _____ Name change only		The statements indicated are hereby certified to be correct to the best knowledge and belief of the undersigned who is duly authorized to sign this request. _____ Signature Date