

Utility Gross Receipts License Tax (UGRLT)
Energy Exemption Annual Return

FOR OFFICIAL USE ONLY



Period Beginning _____ Period Ending _____ Return Due Date _____

Name _____ Utility Gross Receipts License Tax Number _____
Mailing Address _____ Location Address _____
Telephone Number (____) _____ Name of Preparer _____

Part I—Computation to Determine Eligibility for Energy Exemption

- (1) Form 51A129, Part I, line 1, total cost of all energy purchased..... \$ _____
- (2) Form 51A129, Part I, line 2, less cost of energy or energy-producing fuels not used in the course of manufacturing, processing, mining and refining..... \$ _____
- (3) Less amount of other fuel not subject to UGRLT (Explain _____)..... \$ _____
- (4) Balance of cost of energy..... \$ _____
- (5) Form 51A129, Part I, line 4, actual cost of production (plus line 3 fuels)..... \$ _____
- (6) 3% of line 5 (if line 4 is greater than line 6, taxpayer qualifies for partial exemption; if line 4 is less than line 6, taxpayer does not qualify)..... \$ _____

Part II—Reconciliation of Estimated Tax and Actual Tax

- (1) Form 73A902, Part I, line 5, actual cost of production..... \$ _____
- (2) Production energy subject to UGRLT (3% of line 1)..... \$ _____
- (3) Estimated amount of nonproduction energy purchased without the application of tax..... \$ _____
- (4) Total amount subject to UGRLT (line 2 plus line 3)..... \$ _____
- (5) UGRLT due on energy or energy-producing fuels (_____ % of line 4)..... \$ _____
- (6) Estimated tax paid on monthly returns filed, including credit forwarded from the previous year, if applicable..... \$ _____
- (7) Additional tax due (line 5 minus line 6) **(Make check payable to Kentucky State Treasurer)**..... \$ _____
- (8) Overpayment of tax (line 6 minus line 5) to be refunded; or credited to Part III..... \$ _____

School District	District Code	Amount from line 7 or 8
_____	_____	Tax Due, Part II, line 7 _____
_____	_____	Tax Overpayment, Part II, line 8 (\$ _____)

Part III—Estimated Amount of Energy Subject to UGRLT for _____ through _____

- (1) Actual cost of production in prior year (Part I, line 5)..... \$ _____
- (2) Production energy subject to tax (3% of line 1)..... \$ _____
- (3) Estimated amount of nonproduction energy purchased without the application of tax..... \$ _____
- (4) Estimated amount subject to tax for the current year (line 2 plus line 3)..... \$ _____
- (5) Enter total amount of energy reported for taxation on monthly returns filed for the current year..... \$ _____
- (6) Balance to be reported subject to tax (line 4 minus line 5)..... \$ _____
- (7) Overpayment amount from prior year credited forward. Tax overpayment from Part II, line 8 (\$ _____) **divided by** the UGRLT tax rate (____ %)..... \$ _____
- (8) Balance of estimated energy subject to tax to be reported for remainder of current year (line 6 minus line 7)..... \$ _____
- (9) Amount to be reported monthly on UGRLT return (line 8 divided by the number of months in the current year for which monthly returns have not yet been filed)..... \$ _____

The amount on line 9 is to be reported on line 5b of each monthly Utility Gross Receipts License Tax Return, Form 73A901, until completion of the next annual return.

I declare under the penalties of perjury that this return (including accompanying schedules and statements) has been examined by me and to the best of my knowledge and belief is a true, correct and complete return.

Signature of Preparer _____ Date Signed _____ Signature of Taxpayer _____

**INSTRUCTIONS FOR FILING
UTILITY GROSS RECEIPTS LICENSE TAX (UGRLT)
ENERGY EXEMPTION ANNUAL RECONCILIATION RETURN**

GENERAL INFORMATION

KRS 160.613(1) states that gross receipts for utility gross receipts license tax purposes shall not include amounts received to the extent that the cost of energy or energy-producing fuels used in the course of manufacturing, processing, mining or refining exceeds 3 percent of the cost of production. The cost of production must be computed on the basis of plant facilities. The term "plant facilities" means all permanent structures affixed to real property at one location.

All energy direct pay authorization holders must file an energy exemption annual return within four months following the end of their calendar or fiscal year.

PART I—COMPUTATION TO DETERMINE ELIGIBILITY FOR ENERGY EXEMPTION

Attach a schedule listing each supplier and type of energy or energy-producing fuel and total cost of such energy from each supplier.

Line 3—Those EDP holders who utilize diesel fuel or other fuel not subject to UGRLT as an energy source should not use these costs in the calculation of the 3 percent threshold. Once the diesel fuel or other ineligible fuel costs have been removed as a cost of energy, they must be added to the cost of production. Then determine if the remaining energy costs exceed the 3 percent cost of production.

Enter on line 5 the actual cost of production including any diesel fuel or other ineligible fuel costs. Attach a schedule showing the account classification and amount of all costs included in computing cost of production. Such costs consist of direct materials, direct labor and all overhead expenses which relate to production. (Refer to Regulation 103 KAR 30:140 for additional information regarding the computation of the cost of production.)

If the amount of line 4 exceeds 3 percent cost of production as computed on line 6, complete the remaining portions of the return.

If the amount on line 4 is less than the amount of line 6, you are not eligible for an energy exemption for UGRLT. The total amount of energy purchased during the year is subject to tax. It is therefore not necessary to compute Parts II and III of the return. Prepare and attach a separate schedule showing the tax due based on the total amount of energy purchased without application of tax.

PART II—RECONCILIATION OF ESTIMATED TAX AND ACTUAL TAX

Line 5—Enter tax percentage in the blank provided for the school district in which facility is located.

Line 6—Enter the amount of estimated tax paid on the monthly returns, including any overpayments or credits from the previous year's return that have not been refunded. (If an amount from Part II, line 8, of last year's annual return was checked, please include the credit amount.) Attach a schedule showing a breakdown of the amount of energy reported for taxation on line 5b of each monthly utility gross receipts license tax return filed for this period. (If tax on energy or energy-producing fuels was paid to your supplier prior to issuance of the energy direct pay authorization and was not refunded to you by the supplier, such tax should also be included on line 6. Attach a schedule showing the name of each supplier and the amount of tax paid and include copies of the invoices showing the tax paid to the supplier.) Also, if tax was paid directly to a school district prior to July 1, 2005, please include a schedule denoting the amount paid by month. If you have an underpayment or overpayment from line 7 or line 8, provide a breakdown of the total into the specific school districts.

PART III—COMPUTATION OF ESTIMATED AMOUNT OF ENERGY OR ENERGY-PRODUCING FUEL SUBJECT TO TAX

The estimated tax to be paid during the current year will be based on the cost of production for the immediately preceding year. (If the operations of the current year are materially changed, an estimated tax based on an estimated cost of production may be approved. If the prior year's cost of production is not used in determining the estimated tax, submit schedule and explanation of the estimated cost of production.)

Enter taxable amounts reported for the months of the current year prior to the completion of this return on line 5. On line 7, if you choose to credit the overpayment to a future period, enter the amount of overpayment in Part II not refunded, and convert to the amount subject to tax. (Divide the tax overpayment amount by the tax rate. Ex: \$10,000/.03). Then, deduct from the estimated amount subject to tax for the current year. Divide the remaining balance subject to tax on line 8 by the number of months for which monthly returns have not been filed in order to determine the amount to be reported for each subsequent month until completion of the next annual return.

Mail the completed UGRLT return to:
Department of Revenue
Division of Sales and Use Tax
P.O. Box 181
Frankfort, KY 40602-0181

ESTIMATED TAX
PAID ON MONTHLY RETURNS

SCHEDULE OF ENERGY REPORTED ON
MONTHLY UTILITY GROSS RECEIPTS LICENSE TAX RETURNS

MONTH	TOTAL AMOUNT ON LINE 5B OF MONTHLY RETURN	AMOUNT OF ENERGY PAID DIRECTLY TO SCHOOL DISTRICT OR VENDOR
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____

- 1. Total amount subject to tax. \$ _____
- 2. Tax on energy or energy-producing fuels (__% of Line 1). \$ _____
- 3. Estimated tax reported on Part II, Line 6. \$ _____