

| Rule Description | Error Category | *Severity | Reject Code | Reject Code Text |
|---|----------------|----------------------------|--------------------|---|
| FORM 740-NP | | FORM 740-NP | | |
| FORM 740-NP, PAGE 1 | | FORM 740-NP, PAGE 1 | | |
| The Kentucky filing status (element FilingStatus) selected is incorrect based on information reported on the return. | Data Mismatch | Reject | F740NP-0001 | The Kentucky filing status selected on Form 740-NP, page 1 is incorrect based on information reported on the return. |
| The combined federal AGI amount listed on Form 740-NP, Section D, page 4, line 35, column A (element FedAdjustedGrossIncome) must equal the federal AGI from line 37 of Form 1040, line 21 of Form 1040A unless filing status 3-Married filing separate returns (element SeparateReturns) is checked. | Data Mismatch | Reject | F740NP-0002 | The combined federal adjusted gross income amount listed on Form 740-NP, Section D, line 35, column A must equal the federal AGI from Form 1040, line 37 or Form 1040A, line 21 unless the filing status is Married, filing separate returns. |
| For filing status 3-Married, filing separate returns, the spouse's SSN should be provided. If the spouse's SSN is not known, the spouse's full name (element FS3SpouseName) must be entered on Form 740-NP, page 1, line 3. | Missing Data | Reject | F740NP-0003 | The spouse's SSN should be entered if the filing status is Married, filing separate returns. If the spouse's SSN is not known, the spouse's full name must be entered on Form 740-NP, line 3. |
| Taxpayer political party fund (element PoliticalPartyFund) check box is required for all filing statuses. | Data Mismatch | Reject | F740NP-0004 | The taxpayer political party fund check box on Form 740-NP is required for all filing statuses. |
| Spouse political party fund (element PoliticalPartyFund) check box is required for filing Status 2, (element SeparateOnJointReturn). It should not be used for any other filing statuses. | Data Mismatch | Reject | F740NP-0005 | The spouse political party fund check box on Form 740-NP is required for filing status Married, filing a joint return. The spouse's political party should not be used for any other filing status. |
| Spouse political party fund (element PoliticalPartyFund) check box for filing status 1, (element Single) and filing status 3, (element SeparateReturns) must be blank. | Data Mismatch | Accepted Conditionally | | |
| The state of residency at the end of the tax year (element YearEndResidencyStatus) is required for residency status (element ResidencyStatus) 4-Full-year nonresident. (Literal KY is not allowed.) | Data Mismatch | Reject | F740NP-0007 | The state of residency at the end of the tax year on Form 740-NP, line 4 is required for taxpayers filing as a full-year nonresident of KY. KY is not a valid entry. |
| The move date (element MoveIntoKYDate, element MoveOutOfKYDate) and state (element StateMovedFrom, element StateMovedTo) is required for residency status (element ResidencyStatus) 5-Part-year resident. | Data Mismatch | Reject | F740NP-0008 | The date the taxpayer moved into or out of KY and the state abbreviation the taxpayer moved from or to during the year is required on Form 740-NP, line 5 for taxpayers filing as a part-year KY resident. |

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| Amount of allowable itemized deductions claimed on on Form 740-NP, line 11 (element ItemizedDeductions) does not match Schedule A, page 1, line 32 or line 36 (elements Total ItemDed or TaxpayerItemDed) or Schedule A, page 2, line 10 (element AdjustedItemDeductions). | Incorrect Data | Reject | F740NP-0006 | The allowable itemized deduction on Form 740-NP, line 11 does not match Schedule A, page 1, line 32 or line 36 or Schedule A, page 2, line 10. |
| Form 740-NP, line 10 or line 12 must be completed. Do not use both lines. Complete line 10 for Standard Deduction (element StandardDeductions) or line 12 for itemized deductions (element ItemizedDeductions). Schedule A is required for all entries on line 12. The standard deduction for TY2013 is 2360. | Missing Form | Reject | F740NP-0009 | Either line 10 or line 12 of the Form 740-NP must be completed. Do not complete both lines. Complete line 10 to claim the standard deduction or line 12 to itemize deductions. Schedule A is required for all entries on line 12. The standard deduction is \$2,360. |
| Form 740-NP, line 13, taxable income (element TaxableIncome) must equal Form 740-NP, line 9 (element KyAdjustedGrossIncome) minus either Form 740-NP, line 10 (element StandardDeductions) or line 12 (element ItemizedDeductions). | Math Error | Accepted Conditionally | | |
| Form 740-NP, line 14 (element TaxBeforeCredits) must equal amount from tax table or tax computation unless the Schedule J indicator (element ScheduleJIndicator), Form 4972K indicator (element Form4972KIndicator) or the Schedule RCR indicator (element ScheduleRCRIndicator) is marked. | Math Error | Accepted Conditionally | | |
| Missing Schedule J. Schedule J must be completed if Form 740-NP, Schedule J indicator is marked (element ScheduleJIndicator). | Missing Form | Reject | F740NP-0010 | Schedule J is missing and is required if the Form 740-NP, Schedule J indicator is marked. |
| If Form 740-NP, Schedule J indicator is marked (element ScheduleJIndicator), Form 740-NP, line 14, must equal Schedule J amount from line 22 (element SchJ / SchJTaxAmount). | Data Mismatch | Reject | F740NP-0011 | The Schedule J indicator is marked but Form 740-NP, line 14, does not equal Schedule J, line 22. |
| Missing Form 4972-K. If Form 740-NP, Form 4972K indicator is marked (element Form4972KIndicator), Form 4972K must be completed. | Missing Form | Reject | F740NP-0012 | Form 4972-K is missing and is required if the Form 740-NP, Form 4972K indicator is marked. |

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| Form 740-NP, line 15 (element BusinessIncentiveCredit) must equal Form 740-NP, Section A, line 22 (element TotalBusinessCredit). | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, line 16 (element TaxSubtotal) must equal Form 740, line 14 (element TaxBeforeCredits) minus Form 740, line 15 (element BusinessIncentiveCredit) unless the result is a negative value. | Math Error | Accepted Conditionally | | |
| Form 740-NP, line 17, (element PersonalTaxCreditAmt) must equal Form 740-NP, Section B, line 4 (element PersonalCreditAmt). | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, line 18 (element AllowPersonalTaxCreditAmt) must equal Form 740-NP, line 17 (PersonalTaxCreditAmt) multiplied by Form 740-NP, line 7 (element PctKyToFedAgi). | Math Error | Accepted Conditionally | | |
| Form 740-NP, line 19 (element TaxSubtotal2) must equal Form 740-NP, line 16 (element TaxSubtotal) minus Form 740-NP, line 18 (element AllowPersonalTaxCreditAmt). | Math Error | Accepted Conditionally | | |
| Form 740-NP, line 21 (element FamilySizeTaxCredit) must be computed by multiplying the percentage from the family size income level chart by Form 740-NP, line 19 (element TaxSubtotal2). | Math Error | Accepted Conditionally | | |
| Form 740-NP, line 22 (element TaxSubtotal3) must equal line 19 (element TaxSubtotal2) minus line 21 (element FamilySizeTaxCredit). | Math Error | Accepted Conditionally | | |
| Missing 8863-K. If Form 740-NP, line 23 (element UtilizedEducationCredit) is greater than zero, Form 8863-K data must be completed. | Missing Form | Reject | F740NP-0015 | Form 8863-K is missing and is required if Form 740-NP, line 23, education tuition tax credit is greater than zero. |
| If Form 740-NP, line 23 (element UtilizedEducationCredit) is greater than zero, the amount must equal the amount from Form 8863K, line 20 (element Form8863K / Part4AllowableEduCr / AllowEducCredit). | Data Mismatch | Reject | F740NP-0016 | The education tuition tax credit on Form 740-NP, line 23 must match Form 8863K, line 20-allowable education credit. |

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| Form 740-NP, line 24 (element TaxSubtotal4) must equal line 22 (element TaxSubtotal3) minus line 23 (element UtilizedEducationCredit). | Math Error | Accepted Conditionally | | |
| Form 740-NP, line 26 (element IncomeTaxLiability) must equal line 24 (element TaxSubtotal4) minus line 25 (element KyChildCare). | Math Error | Accepted Conditionally | | |
| Form 740-NP, line 28 (element TotalTaxLiability) must equal line 26 (element IncomeTaxLiability) plus line 27 (element KYUseTax). | Math Error | Accepted Conditionally | | |
| FORM 740-NP, PAGE 2 | | | | FORM 740-NP, PAGE 2 |
| If KY is the state for which the income tax is withheld (element StateAbbreviationCd), the state ID number (EmployerStateIdNumber) on the W-2, W-2G, 1099-R, 1099-G, 1099-INT, 1099-OID, 1099-DIV and 1099-MISC must be a maximum length of 6 digits. | Incorrect Data | Reject | F740NP-0017 | If KY is the state for which the income tax is withheld, the state ID number on the W-2, W-2G, 1099-R, 1099-G, 1099-INT, 1099-OID, 1099-DIV and 1099-MISC must be a maximum length of 6 digits. |
| If Form 740-NP, line 30(a) Kentucky tax withheld (element KYWithholdingPaid) is greater than zero, supporting wage/tax statements are required with state record. Form 740-NP, line 30(a), Kentucky tax withheld (element KYWithholdingPaid) must equal the sum of all state withholding amounts (element StateIncomeTaxAmt) where the state abbreviation code (element StateAbbreviationCd) listed is KY. This amount should include all withholding amounts from Form 1099-R, 1099-G, 1099-INT, 1099-OID, 1099-DIV and 1099-MISC where the state abbreviation code listed is KY. This amount can also include the amount from the W-2 where line 14 (element OtherDeductsBenefits) description equals KREDA. Schemas are available for each wage/tax statement. | Incorrect Data | Reject | F740NP-0018 | The Kentucky tax withheld, Form 740-NP, line 30(a), must equal the sum of all state withholding amounts from an income tax statement where the state abbreviation code listed is KY. The income tax statements include Forms W-2, W-2G, 1099-DIV, 1099-G, 1099-INT, 1099-OID, 1099-MISC and 1099-R. This amount can also include the amount from federal form W-2 where line 14 description equals KREDA. |
| Form 740-NP, line 30(e), nonresident withholding (element NonResidentWithholding) must equal the sum of all Form PTE-WH, line 9's (element KyTaxWithheldAmt) | Math Error | Reject | F740NP-0013 | Form 740-NP, line 30(e), nonresident withholding must equal the sum of all Form PTE-WH, line 9's combined. |

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| Form 740-NP, line 31 (element TotalPayments) must equal the sum of lines 30(a) (element KYWithholdingPaid), line 30(b) (element KYEstimatedTaxPayments), 30(c) (element RefundCertRehabCredit),30(d) (element RefundFilmIndCredit) and 30(e) (element NonResidentWithholding). | Math Error | Accepted Conditionally | | |
| Form 740-NP, line 32 (element AmountOverPaid) should be completed when line 31 (element TotalPayments) is greater than line 28/29 (element TotalTaxLiability) and should equal line 31 (element TotalPayments) minus line 28/29 (element TotalTaxLiability). | Math Error | Accepted Conditionally | | |
| Form 740-NP, line 38 (element TotalContributions) should equal sum of line 33 (element NatureWildLifeFund), line 34 (element ChildVictimsTrustFund), line 35 (element VeteransTrustFund), line 36 (element BreastCancerFund) and line 37 (element FarmToFoodBanksTrustFund). | Math Error | Accepted Conditionally | | |
| Form 740-NP, line 38 (element TotalContributions) should not exceed line 32 (element AmountOverPaid). | Math Error | Accepted Conditionally | | |
| Form 740-NP, line 39 (element CreditEstimatedTax) should not exceed line 32 (element AmountOverPaid). | Math Error | Accepted Conditionally | | |
| Form 740-NP, line 40 (element Refund) should equal line 32 (element AmountOverPaid) minus line 38 (element TotalContributions), line 39 (element CreditEstimatedTax) and line 43 (element SubtotalPenaltyInterest) if calculated. | Math Error | Accepted Conditionally | | |
| Form 740-NP, line 41 (element AdditionalTaxDue) should be completed when line 28/29 (element TotalTaxLiability) is greater than line 31 (element TotalPayments) and should equal line 28/29(element TotalTaxLiability) minus line 31 (element TotalPayments). | Math Error | Accepted Conditionally | | |

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| Form 740-NP, line 42a, check box if form 2210K is attached (element Schedule2210KIndicator) should be completed when form 2210K is completed for waiver of estimated tax penalty, calculation of estimated tax penalty or calculation of interest due on required estimated payments. | Missing Form | Accepted Conditionally | | |
| Form 740-NP, line 42a (element Penalty2210K) must equal amount from Form 2210K, page 1, line 9 (element TotPenPlusInterest). | Data Mismatch | Accepted Conditionally | | |
| If Form 740-NP, line 42a (element Penalty2210K) is greater than zero, Form 2210K data must be completed. | Missing Form | Accepted Conditionally | | |
| Form 740-NP, line 43 (element SubtotalPenaltyInterest) must equal the sum of line 42(a) (element Penalty2210K), line 42(b) (element Interest), line 42(c) (element PenaltyLatePayment) and 42(d) (element PenaltyLateFile). | Math Error | Accepted Conditionally | | |
| Form 740-NP, line 44 (element AmountOwed) must equal line 41 (element AdditionalTaxDue) plus line 43 (element SubtotalPenaltyInterest). | Math Error | Accepted Conditionally | | |
| SECTION A | | | | SECTION A |
| If Form 740-NP, Section A, line 1 (element BusinessAndOtherCredits / NonRefundableLLECredit) is greater than zero, Worksheet C data must be completed. | Missing Form | Reject | F740NP-0019 | Worksheet C is missing and is required if Form 740-NP, Section A, line 1 is greater than zero. |
| Form 740-NP, Section A, line 1 (element BusinessAndOtherCredits / NonRefundableLLECredit) must match Worksheet C, line 8 (element TotalNonRefundableAmount). | Data Mismatch | Reject | F740NP-0020 | Form 740-NP, Section A, line 1, must match Worksheet C, line 8. |
| If Form 740-NP, Section A, line 5 (element TaxPaidOtherState) is greater than zero, Worksheet A data must be completed. | Missing Form | Reject | F740NP-0021 | Worksheet A is missing and is required if Form 740-NP, Section A, line 5 is greater than zero. |
| Form 740-NP, Section A, line 5 (element BusinessAndOtherCredits / TaxPaidOtherState) must equal Worksheet A, line 12 (element TaxOtherStateCredit). | Data Mismatch | Reject | F740NP-0022 | Form 740-NP, Section A, line 5 must match Worksheet A, line 12. |

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| If Form 740-NP, Section A, line 18 (element BusinessAndOtherCredits / EnergyEfficiencyCredit) is greater than zero, Form 5695K data must be completed. | Missing Form | Reject | F740NP-0023 | Form 5695-K is missing and is required if Form 740-NP, Section A, line 18, energy efficiency products credit is greater than zero. |
| Form 740-NP, Section A, line 18 (element BusinessAndOtherCredits / EnergyEfficiencyCredit) must match Form 5695K, line 67 (element TotEnerEffCred). | Data Mismatch | Reject | F740NP-0024 | Form 740-NP, Section A, line 18 must match the total energy efficiency credit on Form 5695K, line 67. |
| FORM 740-NP, PAGE 3 | | | | FORM 740-NP, PAGE 3 |
| Form 740-NP, Section A, line 22 (element BusinessAndOtherCredits / TotalBusinessCredit) must equal the sum of all Section A elements, lines 1 through 21. | Math Error | Accepted Conditionally | | |
| SECTION B | | | | SECTION B |
| Form 740-NP, Section B, Tax credits (element PersonalTaxCredits / RegularCredit) should be marked on all returns for the taxpayer. | Missing Data | Reject | | |
| Form 740-NP, Section B, Tax Credits (element PersonalTaxCredits / RegularCredit) should be marked for the spouse when the Filing Status 2, (element JointReturn) is selected. Spouse personal tax credits should not be completed for filing status 1 (element Single) or 3-(element SeparateReturns). Exception: If Filing Status 3 (element SeparateReturns) is selected and taxpayer is claiming the spouse as dependent because spouse had no income, the regular credit for the spouse can be marked. | Missing Data | Reject | F740NP-0014 | The spouse's personal tax credits should be completed when the filing status Married, filing Joint is selected on Form 740-NP, line 2. The spouse's personal tax credits should not be completed for filing status Single (Form 740-NP, line 1) or Married, filing separate returns (Form 740-NP, line 3). Exception: If the filing status Married, filing separate returns (Form 740-NP, line 3) is selected and taxpayer is claiming the spouse as dependent because spouse had no income, the regular credit for the spouse can be marked. |
| Form 740-NP, Section B, number of boxes checked on line 1 total (element PersonalTaxCredits / TotalCreditsTPSpouse) should equal total number of boxes checked for taxpayer and spouse not to exceed 10. | Math Error | Accepted Conditionally | Form 740NP | |

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| Form 740-NP, Section B, Dependents section. List dependents including first name (element Dependents / FirstName), last name (element Dependents / LastName), dependents SSN (element Dependents / DependentsSSN), relationship of dependent (element Dependents / ChildRelation) and check if dependent qualifies for the family size tax credit (element Dependents / ChildQualifier). | Missing Data | Accepted Conditionally | | |
| Form 740-NP, Section B number of dependents who lived with you (element PersonalTaxCredits / CreditsChildHome), number of dependents who did not live with you (element PersonalTaxCredits / CreditsChildAway) and number of other dependents (element PersonalTaxCredits / CreditsOtherDependents) should equal the corresponding credits from Form 1040, Dependents, lines 6c. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, Section B, total credits (element TotalCredits) should equal the sum of credits from line 1 (element CreditsFromLine1), dependents who lived with you (element CreditsChildHome), did not live with you (element CreditsChildAway) and other dependents (element CreditsOtherDependents). | Math Error | Accepted Conditionally | | |
| Form 740-NP, Section B, line 4, taxpayer personal credit amount (element PersonalTaxCredits / PersonalCreditAmt) must equal line 3 (element PersonalTaxCredits / TotalCredits) multiplied by \$20. | Math Error | Accepted Conditionally | | |
| FORM 740-NP, PAGE 4, SECTION D | | | | |
| Income | | | | |
| Form 740-NP, page 4, Section D, line 1, Column A (element FedWageSalTips) must equal the federal amount from wages, salaries, tips, etc. from the 1040 or 1040A, Line 7 or 1040EZ, line 1. Do not include moving expense reimbursements. | Data Mismatch | Accepted Conditionally | | |

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| Form 740-NP, page 4, Section D, line 1, Column B (element KYWageSalTips) must equal the amount of wages, salaries, tips, bonuses, commissions or other compensation received for personal services from Kentucky sources while a nonresident and from all sources while a Kentucky resident. Do not include moving expense reimbursements. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, line 2, Column A, (element FedMovingExpense) must equal the moving expense reimbursement from Form 3903. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, line 2, Column B, (KYMovingExpense) must match Schedule ME, line 4(c) (element FedMovingExpReimburse). | Data Mismatch | Reject | SME-F740NP-0031 | Form 740-NP, Section D, line 2, column A must match Schedule ME, line 4c. |
| Form 740-NP, page 4, Section D, line 3, Column A, (element FedInterest) must equal the amount of federal taxable interest on Form 1040 or 1040A, line 8a or 1040EZ, line 2. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, line 3, Column B (element KYInterest) must equal the amount of taxable interest earned from Kentucky sources while a nonresident or from all sources while a Kentucky resident. Do not report income from bonds issued by the Commonwealth of Kentucky and its political subdivisions and income from U.S government bonds or securities. Interest income from bonds issued by other states and their political subdivisions is taxable to Kentucky and should be included. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, line 4, Column A (element FedDividend) must equal the amount of ordinary dividends from Form 1040 or 1040A, line 9a. | Data Mismatch | Accepted Conditionally | | |

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| Form 740-NP, page 4, Section D, line 4, Column B (element KYDividend) must equal the amount of ordinary dividends earned from Kentucky sources while a nonresident or from all sources while a Kentucky resident and the distributive share of dividend income reflected on the Schedule K-1. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, line 5, Column A (element FedTaxableRefunds) must equal the amount of taxable refunds, credits or offsets of state and local income taxes from Form 1040, line 10. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, line 5, Column B (element KYTaxableRefunds) must equal the amount of taxable local income tax refund or credit reported on your federal return if you received a tax benefit in a prior year. Do not include state income tax refunds. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, line 6, Column A (element FedAlimonyReceived) must equal the amount of alimony received on Form 1040, line 11. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, line 6, Column B (element KYAlimonyReceived) must equal the amount of alimony payments received while a Kentucky resident. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, line 7, Column A (element FedBusIncomeOrLoss) must equal the amount of business Income or (loss) on Form 1040, line 12. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, line 7, Column B (element KYBusIncomeOrLoss) must equal the amount of business income or loss from Kentucky sources while a nonresident or from all sources while a Kentucky resident. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, line 8, Column A (element FedCapGainOrLoss) must equal the amount of Capital gain or loss on Form 1040, line 13 or form 1040A, line 10. | Data Mismatch | Accepted Conditionally | | |

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| Form 740-NP, page 4, Section D, line 8, Column B (element KYCapGainOrLoss) must equal the amount of Capital gain or loss from Kentucky sources while a nonresident or from all sources while a Kentucky resident. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, line 9, Column A (element FedOtherGainOrLoss) must equal the amount of Other gains or losses on Form 1040, line 14. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, line 9, Column B (element KYOtherGainOrLoss) must equal the amount of Other gains or losses from Kentucky sources while a nonresident or from all sources while a Kentucky resident. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, line 10a, Column A (element FedTaxableDist) must equal the sum of taxable amount of IRA distributions, pensions and annuities on Form 1040, lines 15b and 16b or Form 1040A, lines 11b and 12b. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, line 10a, Column B (element KYTaxableDist) must equal the amount of IRA distributions, pensions and annuities received while a resident of Kentucky. | Data Mismatch | Accepted Conditionally | | |
| Missing Schedule P. Schedule P is required if a value is entered on Form 740-NP, page 4, Section D, line 10b, Column B (KYSchdPExclusion). | Missing Form | Reject | F740NP-0025 | Schedule P is missing and is required if taxable pension and retirement income from all sources is greater than 41,110 and retirement is from federal, state or local government or Tier 2 Railroad retirement benefits. (Form 740-NP, page 4, Section D, line 10b, Column B) |
| Form 740-NP, page 4, Section D, line 11, Column A (element FedRentRoyalty) must match the Rental real estate, royalties, partnerships, S corporations, trusts, etc. income on Form 1040, line 17. | Data Mismatch | Accepted Conditionally | | |

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| Form 740-NP, page 4, Section D, line 11, Column B (element KYRentRoyalty) must match the Rental real estate, royalties, partnerships, S corporations, trusts, etc. from Kentucky sources while a nonresident or all sources while a Kentucky resident. See the Form 740-NP instructions for additional information. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, line 12, Column A (element FedFarmIncomeOrLoss) must equal the amount of farm income or loss on Form 1040, line 18. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, line 12, Column B (element KYFarmIncomeOrLoss) must equal the amount of farm income or loss from Kentucky resources while a nonresident or from all sources while a Kentucky resident. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, line 13, Column A (element FedUnemploymentComp) must match the taxable unemployment compensation on Form 1040, line 19, Form 1040A, line 13 or Form 1040EZ, line 3. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, line 13, Column B (element KYUnemploymentComp) must match the unemployment compensation received while a Kentucky resident. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, line 14, Column A (element FedTaxableSocSec) must match the taxable social security benefits on Form 1040, line 20b or Form 1040A, line 14b. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, line 15, Column A (element FedGamblingWin) must match the gambling winnings listed on the other income line on Form 1040, line 21. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, line 15, Column B (element KYGamblingWin) must match the income from lottery winnings and gambling received while a Kentucky resident or from Kentucky sources while a nonresident. | Data Mismatch | Accepted Conditionally | | |

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| Form 740-NP, page 4, Section D, line 16, Column A (element FedOtherIncome) must match other income other than gambling winnings on Form 1040, line 21. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, line 16, Column B (element KYOtherIncome) must match other income other than gambling winnings received while a Kentucky resident or from Kentucky sources while a nonresident. (See Form 740-NP instructions for additional details.) | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, line 16, description (element OtherIncomeDesc) is required if other income is listed. | Missing Data | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, Column A, line 17 (element FedTotalIncome) must equal the sum of Section D, Column A, lines 1 through 16. | Math Error | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, Column B, line 17 (element KYTotalIncome) must equal the sum of Section D, Column B, lines 1 through 16. | Math Error | Accepted Conditionally | | |
| ADJUSTMENTS TO INCOME | | | | ADJUSTMENTS TO INCOME |
| Form 740-NP, page 4, Section D, Column A, line 18 (element FedEducatorExpense) must equal the educator expenses on Form 1040, line 23 or Form 1040A, line 16. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, Column B, line 18 (element KYEducatorExpense) must equal the educator expenses received from Kentucky sources while a nonresident and all sources while a Kentucky resident. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, Column A, line 19 (element FedBusinessExpense) must equal certain business expenses of reservists, performing artists, and fee-basis government officials on Form 1040, line 24. | Data Mismatch | Accepted Conditionally | | |

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|--|----------------|------------------------|------------------------|---|
| Form 740-NP, page 4, Section D, Column B, line 19 (element KYBusinessExpense) must equal certain business expenses of reservists, performing artists, and fee-basis government officials limited to the amount of allocable income subject to Kentucky taxation. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, Column A, line 20 (element FedHealthSavings) must equal the health savings account deduction on Form 1040, line 25. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, Column B, line 20 (element KYHealthSavings) must equal the health saving deduction limited to the amount of allocable income subject to Kentucky taxation. Federal limitations also apply. | Data Mismatch | Accepted Conditionally | | |
| Missing Schedule ME. Schedule ME is required if a moving expense/reimbursement (Form 740-NP, lines 2 or 21, column B) is claimed. | Missing Form | Reject | SME-F740NP-0033 | Schedule ME is missing and is required if a moving expense/reimbursement on Form 740-NP, lines 2 or 21, column B is listed. |
| Form 740-NP, page 4, Section D, Column A, line 21 (element AdjFedMovingExpense) must equal the moving expense on Form 1040, line 26. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, Column B, line 21 (element AdjKYMovingExpense) must equal the moving expense deduction from Schedule ME, line 6 (element FedMovingExpDed). | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, Column A, line 22 (element FedSelfEmployTax) must equal the deductible part of the self-employment tax on Form 1040, line 27. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, Column B, line 22 (element KYSelfEmployTax) must equal the deductible part of the self-employment tax based on the Kentucky taxable self-employment income. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, Column A, line 23 (element FedSelfEmployTaxSEP) must be equal to the self-employed SEP, SIMPLE and qualified plans on Form 1040, line 28. | Data Mismatch | Accepted Conditionally | | |

| Rule Description | Error Category | *Severity | Reject Code | Reject Code Text |
|---|----------------|---------------------------|-------------|------------------|
| Form 740-NP, page 4, Section D, Column B, line 23 (element KYSelfEmployTaxSEP) must equal the qualified payments to a Keogh retirement plan, a SEP or a SIMPLE plan based upon the Kentucky taxable self employment earnings. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, Column A, line 24 (element FedSelfEmployHealthIns) must equal the self-employed health insurance deduction on Form 1040, line 29. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, Column A, line 25 (element FedEarlyWithdrawalPen) must equal the penalty on early withdrawal of savings on Form 1040, line 30. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, Column B, line 25 (element KYEarlyWithdrawalPen) must equal the penalty on early withdrawal of savings applicable to the interest income taxable to Kentucky. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, Column A, line 26 (element FedAlimonyPaid) must be equal to the alimony deduction on Form 1040, line 31a. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, Column B, line 26 (element KYAlimonyPaid) must equal the alimony deduction not in excess of Kentucky income. Alimony paid by full-year nonresidents is limited to the percentage of Kentucky total income (element KYTotalIncome) to federal total income (element FedTotalIncome). | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, Column B, line 26, alimony recipient's social security number (element FedAlimonyRecipientSSN) must match the alimony recipients SSN on Form 1040, line 31b. | Missing Data | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, Column B, line 26 alimony recipients name (FedAlimonyRecipientName) is required if the deduction is taken. | Missing Data | Accepted Conditionally | | |

| Rule Description | Error Category | *Severity | Reject Code | Reject Code Text |
|---|----------------|------------------------|-------------|------------------|
| Form 740-NP, page 4, Section D, Column A, line 27 (element FedIRADeduct) must equal the IRA deduction on Form 1040, line 32 or Form 1040A, line 17. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, Column B, line 27 (element KYIRADeduct) must equal the IRA deduction not in excess of Kentucky earned income. Full-year nonresident contribution deduction is limited to the percentage of Kentucky earned income to federal earned income. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, Column A, line 28 (element FedStudentLoanInterest) must equal the student loan interest deduction on Form 1040, line 33 or Form 1040A line 18. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, Column B, line 28 (element KYStudentLoanInterest) must equal the student loan interest limited to the percentage of Kentucky total income (element KYTotalIncome) to federal total income (element FedTotalIncome) | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, Column A, line 29 (element FedTuitionFees) must equal the tuition and fees on Form 1040, line 34 or Form 1040A, line 19. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, Column B, line 29 (element KYTuitionFees) must equal the tuition and fees limited to the percentage of Kentucky total income (KYTotalIncome) to federal total income (FedTotalIncome) | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, Column A, line 30 (element FedDPAD) must equal the domestic production activities deduction on Form 1040, line 35. | Data Mismatch | Accepted Conditionally | | |

| Rule Description | Error Category | *Severity | Reject Code | Reject Code Text |
|--|----------------|------------------------|-------------|------------------|
| Form 740-NP, page 4, Section D, Column B, line 30 (element KYDPAD) must equal the domestic production activities deduction limited to the percentage of Kentucky domestic production gross receipts to federal domestic production gross receipts. (See Form 740-NP instructions for additional details.) | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, Column B, line 31 (element KYLongTermCareIns) must equal the long-term care insurance premiums deducted by full year nonresidents limited to the percentage of Kentucky total income (element KYTotalIncome) to federal total income (element FedTotalIncome). | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, Column B, line 32 (element KYHealthInsPremium) must equal the medical and dental insurance premiums deducted by full-year nonresidents limited to the percentage of Kentucky total income (element KYTotalIncome) to federal total income (element FedTotalIncome). (See Form 740-NP instructions for additional details.) | Data Mismatch | Accepted Conditionally | Form 740NP | |
| Form 740-NP, page 4, Section D, Column A, line 33 (element FedOtherDeduct) should be used to adjust income for anything not included on Form 740-NP, page 4, Section D, lines 18 through 32, column A. | Data Mismatch | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, Column B, line 33 (element KYOtherDeduct) must equal the other deductions limited to the percentage of Kentucky total income (element KYTotalIncome) to federal total income (element FedTotalIncome). (See Form 740-NP instructions for additional details.) | Missing Data | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, line 33 description (element OtherDeductDesc) is required if other deductions are taken. | Math Error | Accepted Conditionally | | |

| Rule Description | Error Category | *Severity | Reject Code | Reject Code Text |
|---|----------------|------------------------|-----------------------|---|
| Form 740-NP, page 4, Section D, Column A, line 34 (element FedTotalAdjustments) must equal the sum of Section D, Column A, lines 18 through 33. | Math Error | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, Column B, line 34 (element KYTotalAdjustments) must equal the sum of Section D, Column B, lines 18 through 33. | Math Error | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, Column A, line 35 (element FedAdjustedGrossIncome) must equal Section D, Column B, line 17 (element FedTotalIncome) minus Section D, Column B, line 34 (element FedTotAdjustments) | Math Error | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, Column B, line 35 (element KyAdjustedGrossIncome) must equal Section D, Column B, line 17 (element KYTotalIncome) minus Section D, Column B, line 34 (element KYTotAdjustments) | Math Error | Accepted Conditionally | | |
| Form 740-NP, page 4, Section D, line 36 (element PCTKYToFedAGI) should be equal to line 35, Column B (element FedAdjustedGrossIncome) divided by line 35, Column A (element KyAdjustedGrossIncome) | Math Error | Accepted Conditionally | | |
| SCHEDULE A (Form 740-NP) | | | | |
| Schedule A fields for adjusted gross income in the medical and dental expenses section, casualty and theft losses section and the job expenses section (elements TaxpayerFedAGI1, TaxpayerFedAGI2, TaxpayerFedAGI3) must equal the federal adjusted gross income from Form 740, line 8 (element Form740-NP / FedAdjustedGrossIncome). | Math Error | Reject | SA-F740NP-0027 | Schedule A fields for adjusted gross income in the medical and dental expenses section, casualty and theft losses section and the job expenses section must equal the federal adjusted gross income from Form 740-NP, line 8. |

| Rule Description | Error Category | *Severity | Reject Code | Reject Code Text |
|--|----------------|------------------------|-------------|------------------|
| Health Insurance Premiums that are deducted on Form 740-NP, page 4, Section D, line 31 and 32 (element KYLongTermCareIns and KYHealthInsPremium) should not be included in medical and dental expenses claimed on Schedule A (element MedicalAndDentalExpenses / MedicalDentalExp). Married taxpayers filing separate, filing status 3, who choose to file one Schedule A and prorate the total must combine the Line 8 federal AGI amounts from both returns. | Math Error | Accepted Conditionally | | |
| Schedule A, line 3 (element MedicalAndDentalExpenses / MedicalDentalExpExcl) must equal 7.5% of the federal adjusted gross income (element MedicalAndDentalExpenses / Taxpayer FedAGI1). | Math Error | Accepted Conditionally | | |
| Schedule A, line 4 (element MedicalAndDentalExpenses / TotalMedicalDentalDed) must equal Schedule A, line 1 (element MedicalAndDentalExpenses / MedicalDentalExp) minus line 3 (element MedicalAndDentalExpenses / MedicalDentalExpExcl). | Math Error | Accepted Conditionally | | |
| Schedule A, line 5 (element Taxes / LocalIncomeTaxes) must not include federal or state taxes paid. | Incorrect Data | Accepted Conditionally | | |
| Schedule A, line 9 (element Taxes / TotTaxes) should equal the sum of Schedule A, lines 5 through 8 (elements Taxes / LocalIncomeTaxes, RealEstateTaxes, PersonalPropTaxes and OtherTaxes). | Math Error | Accepted Conditionally | | |
| Schedule A, line 15 (element InterestExpense / TotalInt) should equal the sum of Schedule A, lines 10 through 14 (elements InterestExpense / HomeMortInt1098, HomeMortIntOther, PointsNotOn1098, QualMortInsPrem and InvestmentInt). | Math Error | Accepted Conditionally | | |

| Rule Description | Error Category | *Severity | Reject Code | Reject Code Text |
|--|----------------|------------------------|-------------|------------------|
| Schedule A, line 19 (element Contributions / TotCont) should equal the sum of Schedule A, lines 15 through 18 (elements Contributions / CashCont, CashContOther and PriorYrCarryover). | Math Error | Accepted Conditionally | | |
| Schedule A, line 19 (element Contributions / TotCont) cannot exceed 50% of the federal adjusted gross income (element Form740-NP / FedAdjustedGrossIncome). | Math Error | Accepted Conditionally | | |
| Schedule A, line 22 (element CasualtyAndTheftLosses / CasualtyTheftExcl) must equal 10% of the federal adjusted gross income (element CasualtyAndTheftLosses / TaxpayerFedAGI2). | Math Error | Accepted Conditionally | | |
| Schedule A, line 23 (element CasualtyAndTheftLosses / TotCasualtyTheft) must equal Schedule A, line 20 (element CasualtyAndTheftLosses / AmountFrom4684) minus line 22 (element CasualtyAndTheftLosses / CasualtyTheftExcl). | Math Error | Accepted Conditionally | | |
| Schedule A, line 27 (element JobExpenses / SubtotJobExp) should equal the sum of Schedule A, lines 24 through 26 (elements JobExpenses / UnreimbursedEmpExp, TaxPrepFees and OtherExp). | Math Error | Accepted Conditionally | | |
| Schedule A, line 29 (element JobExpenses / JobExpExcl) must equal 2% of the federal adjusted gross income (element JobExpenses / TaxpayerFedAGI3). | Math Error | Accepted Conditionally | | |
| Schedule A, line 30 (element JobExpenses / TotJobOtherExp) must equal Schedule A, line 27 (element JobExpenses / SubtotJobExp) minus line 29 (element JobExpenses / JobExpExcl). | Math Error | Accepted Conditionally | | |

| Rule Description | Error Category | *Severity | Reject Code | Reject Code Text |
|--|----------------|------------------------|-----------------------|---|
| Schedule A, line 32 (element TotItemDed) is mathematically incorrect. Line 32 should equal the sum of Schedule A, lines 4 9, 15, 19, 23, 30 and 31 (elements MedicalAndDentalExpenses / TotalMedicalDentalDed, Taxes / TotTaxes, InterestExpense / TotalInt, Contributions / TotCont, CasualtyAndTheftLosses / TotCasualtyTheft, JobExpenses / TotJobOtherExp and OtherMiscExp). | Math Error | Reject | SA-F740NP-0028 | Schedule A, line 32 is mathematically incorrect. |
| Dividing Itemized Deductions: Schedule A, lines 33 through 36 must be completed when filing status 3-Married, filing separate returns (element SeparateReturns) is selected or one spouse is not filing a Kentucky return and itemized deductions are claimed. | Missing Data | Accepted Conditionally | | |
| Schedule A, line 33, federal adjusted gross income (element TaxpayerFedAGI) must equal the Form 740-NP, line 8 (FedAdjustedGrossIncome), | Data Mismatch | Reject | SA-F740NP-0026 | The federal adjusted gross income on Schedule A, line 33 does not match the amount on Form 740-NP, line 8. |
| Schedule A, line 35 (element TaxpayerPctAGI) must equal line 33 (element TaxpayerFedAGI) divided by line 34 (element CombinedFedAGI), if division of itemized deductions applies. | Math Error | Accepted Conditionally | | |
| Schedule A, line 35 (element TaxpayerItemDed) must equal line 32 (element TotItemDed) divided by line 35 (element TaxpayerPctAGI), if division of itemized deductions applies. | Math Error | Accepted Conditionally | | |
| The itemized deductions limitation section on Schedule A, page 2 should be completed if the federal AGI on Form 740-NP, line 8 exceeds 89,075 if the filing status is married, filing separate returns and 178,150 for all other filing statuses. | Missing Data | Accepted Conditionally | | The itemized deductions limitation section on Schedule A, page 2 should be completed if the federal AGI on Form 740-NP, line 8 exceeds 89,075 if the filing status is married, filing separate returns and 178,150 for all other filing statuses. |
| Error in calculating Schedule A, Page 2, Part II, Line 1. | Math Error | Accepted Conditionally | | |
| Error in calculating Schedule A, Page 2, Part II, Line 3. | Math Error | Accepted Conditionally | | |
| Error in calculating Schedule A, Page 2, Part II, Line 4. | Math Error | Accepted Conditionally | | |

| Rule Description | Error Category | *Severity | Reject Code | Reject Code Text |
|--|----------------|------------------------|------------------------|---|
| Schedule A, Page 2, Part II, Line 5 must equal Form 740-NP, Line 8. | Data Mismatch | Accepted Conditionally | | |
| Error on Schedule A, Page 2, Part II, Line 6. | Math Error | Accepted Conditionally | | |
| Error in calculating Schedule A, Page 2, Part II, Line 7. | Math Error | Accepted Conditionally | | |
| Error in calculating Schedule A, Page 2, Part II, Line 8. | Math Error | Accepted Conditionally | | |
| Must equal the lesser of Schedule A, Page 2, Part II, Line 4 or 8. | Math Error | Accepted Conditionally | | |
| Error in calculating Schedule A, Page 2, Part II, Line 10. Line 10 must be completed if Part II is required. | Math Error | Accepted Conditionally | | |
| Schedule A data is incomplete | Missing Data | Reject | SA-F740NP-0029 | Schedule A data incomplete. |
| SCHEDULE ME | | | | SCHEDULE ME |
| Schedule ME, line 3 (element PCTKYtoFedWageSalTips) must equal line 1 (element KyWageSalTips) divided by line 2 (element FedWageSalTips) | Math Error | Accepted Conditionally | | |
| Schedule ME, line 4(c) (element FedMovingExpReimburse) must equal the sum of lines 4(a) (element MovingExpReimburseIncWages) and 4(b) (element Form3903Amt). | Data Mismatch | Accepted Conditionally | | |
| Schedule ME, line 5 (element KYMovingExpReimburse) must equal line 4(c) (element FedMovingExpReimburse) multiplied by line 3 (element PCTKYtoFedWageSalTips) | Math Error | Accepted Conditionally | | |
| Kentucky moving expense reimbursement on Schedule ME, line 5 (element KYMovingExpReimburse) does not match the amount claimed on Form 740-NP, page 4, Section D, line 2, column B (element Form 740-NP - KyMovingExpense). | Data Mismatch | Reject | SME-F740NP-0032 | The Kentucky moving expense reimbursement on Schedule ME, line 5 does not match the amount claimed on Form 740-NP, Section D, line 2, column B. |
| Schedule ME, line 7 (element KYAllowedMovingExp) must equal line 6 (element FedMovingExpDed) multiplied by line 3 (PCTKYtoFedWageSalTips). | Math Error | Accepted Conditionally | | |

| Rule Description | Error Category | *Severity | Reject Code | Reject Code Text |
|---|---------------------|------------------------|------------------------|--|
| Kentucky allowable moving expense (element KYAllowedMovingExp) on Schedule ME, line 7 does not match Form 740-NP, page 4, Section D, line 21, Column B (element AdjKYMovingExpense) | Data Mismatch | Reject | SME-F740NP-0034 | The Kentucky allowable moving expense on Schedule ME, line 7 does not match Form 740-NP, page 4, Section D, line 21, Column B. |
| Schedule P | | | | |
| The combined total of Schedule P, line 4, columns A and B (element TotalExcluded / TotalExcluded) does not match the amount claimed on Form 740-NP, page 4, line 10(b) (element SubtractionsToFAGIType / Pension) | Data Mismatch | Accepted Conditionally | | Schedule P total exclusion does not match amount claimed on Form 740-NP, page 4, line 10(b). |
| SCHEDULE J | | | | |
| Calculation error(s) on Schedule J. | Math Error | Reject | SJ-F740NP-0036 | Calculation error(s) were found on Schedule J. |
| Incomplete data on Schedule J. | Missing Data | Reject | SJ-F740NP-0037 | Incomplete data on Schedule J. |
| FORM 2210-K | | | | |
| Calculation error(s) on Form 2210K. | Math Error | Reject | F2210K-0039 | Calculation error(s) were found on Form 2210K. |
| FORM 4972-K | | | | |
| Calculation error(s) on Form 4972K, Part II (elements ExcludableLumpSum) | Math Error | Accepted Conditionally | | |
| Calculation error(s) on Form 4972K, Part III (elements FederalCapitalGain) | Math Error | Accepted Conditionally | | |
| Calculation error(s) on Form 4972K, Part IV (elements TenYearOption) | Math Error | Accepted Conditionally | | |
| Data incomplete on Form 4972K. | Missing Data | Reject | F4972K-0041 | Data incomplete on Form 4972K. |
| FORM 5695-K | | | | |
| Form 5695-K, line 67 (element EnergyEfficiencyProducts / TotEnerEffCredit) is mathematically incorrect. | Math Error | Reject | F5695K-0042 | Form 5695-K, line 67 is mathematically incorrect. |
| The credit qualifications section (elements EEPCCreditQualifications) are required when filing Form 5695-K. | Missing Data | Reject | F5695K-0043 | The credit qualifications section of the Form 5695-K is incomplete and is required when filing Form 5695-K. |
| Taxpayer / Business Entity data required when filing Form 5695K. | Missing Data | Reject | F5695K-0044 | The Taxpayer / Business Entity data is incomplete and is required when filing Form 5695-K. |
| Credit Carryforward on Form 5695K, line 66 (element PriorYrEnerEffCredit) should not be claimed unless prior year 5695K form was filed. | Missing Form | Reject | F5695K-0045 | Credit Carryforward claimed on Form 5695K, line 66 should not be claimed. No Form 5695K was filed for the previous year. |

| Rule Description | Error Category | *Severity | Reject Code | Reject Code Text |
|---|----------------|------------------------|--------------------|--|
| Amount claimed as credit forward from prior year on Form 5695K (element PriorYrEnerEffCredit) is incorrect. | Math Error | Accepted Conditionally | | |
| FORM 8582-K | | | | FORM 8582-K |
| Calculation error(s) on Form 8582K, Part I (elements PassiveActivityLoss) | Math Error | Accepted Conditionally | | |
| Calculation error(s) on Form 8582K, Part II (elements SpecAllowRentalReal) | Math Error | Accepted Conditionally | | |
| Calculation error(s) on Form 8582K, Part III (elements SpecAllowCommercialRevitDed) | Math Error | Accepted Conditionally | | |
| Calculation error(s) on Form 8582K, Part IV (elements TotalLossesAllowed) | Math Error | Accepted Conditionally | | |
| Calculation error(s) on Form 8582K, Passive Activities Adjustment Worksheet (elements PassiveActivitiesAdjustments) | Math Error | Accepted Conditionally | | |
| Incomplete data on Form 8582K | Missing Data | Reject | F8582K-0046 | Incomplete data on Form 8582K. |
| FORM 8863-K | | | | FORM 8863-K |
| Incomplete data on Form 8863K (elements Qualifications) | Missing Data | Reject | F8863K-0047 | The Qualifications section on Form 8863-K is incomplete. It is required when filing Form 8863-K. |
| Incomplete data on Form 8863K (elements HopeCredit) | Missing Data | Reject | F8863K-0048 | The Hope Credit section of Form 8863-K is incomplete. It is required in order to claim the Hope credit. |
| Name and address of Kentucky institution required on Form 8863K. | Missing Data | Reject | F8863K-0049 | The name and address of the Kentucky institution is required on Form 8863-K if an education tuition tax credit is claimed. |
| Tentative Hope Credit claimed exceeds allowable amount (element TentHopeCredit) on Form 8863K, line 1f. | Math Error | Reject | F8863K-0050 | Form 8863K, line 1, column f exceeds allowable amount. |
| Error in calculating Tentative Hope Credit (element TentHopeCredit) on Form 8863K, line 1f. | Math Error | Reject | F8863K-0051 | Form 8863K, line 1, column f is mathematically incorrect. |
| Error in calculating Total Hope Credit (element HopeCreditTot) on Form 8863K, line 2. | Math Error | Reject | F8863K-0052 | Form 8863K, line 2 is mathematically incorrect. |
| Lifetime Learning Credit claimed on Form 8863-K, line 6 exceeds allowable amount (element LifeLimitBy20Pct) | Math Error | Reject | F8863K-0053 | The Lifetime Learning Credit claimed on Form 8863-K, line 6 exceeds allowable amount. |

| Rule Description | Error Category | *Severity | Reject Code | Reject Code Text |
|--|----------------|------------------------|-----------------------|--|
| Error in computing allowable education credit from Form 8863K, line 20 (element AllowEducCredit) | Math Error | Reject | F8863K-0054 | Form 8863K, line 20 is mathematically incorrect. |
| Education Credit Carryforward claimed for prior years on Form 8863K (elements CreditCarryForward) but no prior year 8863K forms were filed. | Missing Form | Reject | F8863K-0055 | An Education Credit Carryforward cannot be claimed for a prior year on Form 8863K, Part V if a Form 8863-K was not filed in the prior year. |
| WORKSHEET A | | | | WORKSHEET A |
| Recipient Name (element RecipientFirstName) and SSN (element RecipientSSN) are required when completing Worksheet A. | Missing Data | Reject | WA-F740NP-0056 | The name and SSN of the taxpayer claiming the credit are required when completing Worksheet A. |
| KY residents must report all income received including income from sources outside KY. Within certain limitations, a credit for income tax paid to another state may be claimed on Worksheet A. Full year nonresidents may not claim this credit. The credit is limited to the amount of tax paid to the other state or the amount of KY tax savings had the income reported to the other state been omitted, whichever is less. A return must be filed with the other state in order to claim this credit. Credit for tax withheld by another state is not allowed. A credit for tax paid to a reciprocal state on certain types of income is not allowed. The type of income reported to the other state must be listed on Worksheet A. (See Worksheet A instructions for limitations and reciprocal state information.) | Incorrect Data | Reject | WA-F740NP-0057 | KY residents must report all income received including income from sources outside KY. Within certain limitations, a credit for income tax paid to another state may be claimed on Worksheet A. Full year nonresidents may not claim this credit. The credit is limited to the amount of tax paid to the other state or the amount of KY tax savings had the income reported to the other state been omitted, whichever is less. A return must be filed with the other state in order to claim this credit. Credit for tax withheld by another state is not allowed. A credit for tax paid to a reciprocal state on certain types of income is not allowed. The type of income reported to the other state must be listed on Worksheet A. (See Worksheet A instructions for limitations and reciprocal state information.) |
| Worksheet A, name of other state (element NameOfOtherState) is missing. | Missing Data | Reject | WA-F740NP-0058 | The name of other state is missing on Worksheet A. |
| KY is not a valid entry (element NameOfOtherState) on Worksheet A, tax paid to other states worksheet. | Incorrect Data | Reject | WA-F740NP-0059 | KY is not a valid entry as the name of the other state on Worksheet A. |
| Worksheet A, line 1 (element KYTaxableIncome) should equal amount from Form 740,-NP line 13 (element Form 740-NP - TaxableIncome). | Data Mismatch | Accepted Conditionally | | |

| Rule Description | Error Category | *Severity | Reject Code | Reject Code Text |
|--|----------------|------------------------|-----------------------|---|
| Worksheet A, line 2 (element GamblingLosses) should equal the amount of gambling losses reported on Schedule A, line 31 (element Schedule A - OtherMiscExp). | Data Mismatch | Accepted Conditionally | | |
| Worksheet A, line 3 (element TotalIncome) should equal line 1 (element KYTaxableIncome) plus line 2 (element GamblingLosses). | Math Error | Accepted Conditionally | | |
| Worksheet A, line 5 (element GrandTotalIncome) should equal line 3 (element TotalIncome) minus line 4 (element IncomeFromOtherState). | Math Error | Accepted Conditionally | | |
| Worksheet A, line 7 (element IncomeAfterLoss) should equal line 5 (element GrandTotalIncome) minus line 6 (element AdjustedGamblingLosses). | Math Error | Accepted Conditionally | | |
| Worksheet A, line 8 (element KYTaxOnAdjustedIncome) should equal the tax due on the line 7 amount (element IncomeAfterLoss) | Math Error | Accepted Conditionally | | |
| Worksheet A, line 9 (element KYTaxOnKYTaxableIncome) should equal the tax due on the line 1 amount (element TaxableIncome). | Math Error | Accepted Conditionally | | |
| Worksheet A, line 10 (element TaxSavings) should equal line 9 (element KYTaxOnKYTaxableIncome) minus line 8 (element KYTaxOnAdjustedIncome). | Math Error | Accepted Conditionally | | |
| Worksheet A, line 12 (element TaxOtherStateCredit) should be the lesser of line 10 (element TaxSavings) or line 11 (element TaxPaidToOtherState). | Math Error | Reject | WA-F740NP-0060 | Worksheet A, line 12 should be the lesser of line 10 or line 11. |
| WORKSHEET C | | | WORKSHEET C | |
| LLE name (element LLEName), address (element LLEAddress), FEIN (LLEFEIN), Ky corporate account number (element LLEKYCorporateAcctNumber) and ownership percentage (element PctOfOwnership) are required when completing Worksheet C. | Missing Data | Reject | WC-F740NP-0061 | The LLE name, address, FEIN, Ky corporate account number and ownership percentage are required when completing Worksheet C. |

| Rule Description | Error Category | *Severity | Reject Code | Reject Code Text |
|--|----------------|------------------------|-----------------------|---|
| One of the LLE indicators are required when completing Worksheet C (elements LLE720Indicator, LLE765Indicator, LLE765GPIndicator or LLE725Indicator) | Missing Data | Accepted Conditionally | | |
| Worksheet C, line 1 (element KYTaxableIncome) should equal amount from Form 740-NP, line 13 (element TaxableIncome). | Data Mismatch | Accepted Conditionally | | |
| Worksheet C, line 3 (element SubTotalIncome) should equal line 1 (element KYTaxableIncome) plus line 2 (element LLEIncome). | Math Error | Accepted Conditionally | | |
| Worksheet C, line 4 (element KYTaxOnTaxableIncome) should equal the tax due on the line 1 amount (element KYTaxableIncome). | Math Error | Accepted Conditionally | | |
| Worksheet C, line 5 (element KYTaxOnLLEAdjustedIncome) should equal the tax due on the line 3 amount (element SubTotalIncome). | Math Error | Accepted Conditionally | | |
| Worksheet C, line 6 (element TaxSavingsOnLLEIncome) should equal line 4 (element KYTaxOnTaxableIncome) minus line 5 (element KYTaxOnLLEAdjustedIncome). If line 5 is larger than line 4, enter zero. | Math Error | Accepted Conditionally | | |
| Worksheet C, line 8 (element TotalNonRefundableAmount) should be the lesser of line 6 (element TaxSavingsOnLLEIncome) or line 7 (element NonRefundableCredit). | Math Error | Reject | WC-F740NP-0062 | Worksheet C, line 8 should be the lesser of line 6 or line 7. |
| MISCELLANEOUS | | | | MISCELLANEOUS |
| Primary social security number (element Filer/ Primary/ TaxpayerSSN) and/or Spouse social security number (element Filer/ Secondary/ TaxpayerSSN) are required. | Missing Data | Reject | F740NP-0065 | The primary taxpayer's social security number is required for all filing statuses. The Spouse's social security number is required for filing status Married, filing joint. |
| Primary name elements (element Filer/ Primary/ TaxpayerName) and/or Spouse name elements (element Filer/ Secondary/ TaxpayerName) missing or incomplete. | Missing Data | Reject | F740NP-0066 | The taxpayer's and/or spouse's name is missing or incomplete. |
| Taxpayer address elements (element USAddress) missing or incomplete. | Missing Data | Reject | F740NP-0067 | Taxpayer address is missing or incomplete. |

| Rule Description | Error Category | *Severity | Reject Code | Reject Code Text |
|---|------------------|------------------------|-------------|---|
| Invalid direct debit routing number. Routing number must be numeric only and first 2 digits must begin with 01 through 12 or 21 through 32. | Incorrect Data | Reject | F740NP-0069 | Invalid direct debit routing number. The routing number must be numeric only and first 2 digits must begin with 01 through 12 or 21 through 32. |
| Invalid direct debit account number. Account number must be numeric only. Cannot contain spaces and /or dashes. | Incorrect Data | Reject | F740NP-0070 | Invalid direct debit account number. The account number must be numeric only. Cannot contain spaces and /or dashes. |
| Invalid direct debit amount (element StatePayment / PaymentAmount). Debit amount must equal amount owed on the return, Form 740-NP, line 44 (element AmountOwed). | Incorrect Data | Reject | F740NP-0071 | Invalid direct debit amount. The debit amount must equal amount owed on the return, Form 740-NP, line 44. |
| Invalid direct debit date (element StatePayment / RequestedPaymentDate). Debit payments for additional tax due cannot be warehoused after the April 15th filing deadline. | Incorrect Data | Reject | F740NP-0072 | Invalid direct debit date. Debit payments for additional tax due cannot be warehoused after the April 15th filing deadline. |
| Direct Deposits are not an option for Form 740-NP. The return will be processed but the direct deposit request will not. A check will be issued for the refund amount. | Incorrect Data | Accepted Conditionally | | |
| Invalid direct debit date (element StatePayment / RequestedPaymentDate). Valid dates for debit payments of estimated tax for tax year 2013 are: April 15, 2014, June 16, 2014, September 15, 2014, January 15, 2015 | Incorrect Data | Reject | F740NP-0073 | Invalid direct debit date. Valid dates for debit payments of estimated tax for tax year 2013 are: April 15, 2014, June 16, 2014, September 15, 2014, January 15, 2015. Please select valid dates and resubmit the return. |
| SCHEMA VALIDATION | | | | SCHEMA VALIDATION |
| Duplicate Return. Electronic return already received and processed. | Missing Data | Reject | KYSUB-0063 | Duplicate Return. An electronic return was already received and processed. |
| Copy of federal return is required for all electronically filed returns. | Missing Data | Reject | KYSUB-0064 | A copy of the federal return is required for all electronically filed Kentucky returns. |
| Software Identification Code (element SoftwareID) has not been approved for electronic filing by the Kentucky Department of Revenue. | Incorrect Data | Reject | KYSUB-0068 | Software Identification Code has not been approved for electronic filing by the Kentucky Department of Revenue. |
| Schema Failed Validation. See details. | Validation Error | Reject | KYSUB-0100 | Schema Failed Validation. See details. |
| Manifest Data Missing | Validation Error | Reject | KYSUB-0101 | Manifest Data Missing |
| State Return Data Missing | Validation Error | Reject | KYSUB-0102 | State Return Data Missing |
| Invalid Processing Year | Validation Error | Reject | KYSUB-0103 | Invalid Processing Year |
| We are unable to process your submission due to technical difficulties. Please file a paper return. | Validation Error | Reject | KYSUB-0105 | We are unable to process your submission due to technical difficulties. Please file a paper return. |

| Rule Description | Error Category | *Severity | Reject Code | Reject Code Text |
|--|------------------|-----------|-------------------|--|
| Packaging of data and transmission payload must be in the proper format. | Validation Error | Reject | KYSUB-0106 | Packaging of data and transmission payload must be in the proper format. |

*Severity - Reject means the return will be returned and not accepted for processing.
 Accepted Conditionally means the return will be accepted for filing but the return will be reviewed and may be adjusted if an error is found or data cannot be verified.