



CITY OF GLASGOW KY  
P.O. BOX 278  
GLASGOW, KY 42142-0278

# CITY NET PROFIT LICENSE FEE RETURN

**IMPORTANT**

**ENCLOSE COPY OF  
APPLICABLE  
FEDERAL RETURN  
OR SCHEDULE**

Fed. Sch. C (1040)  
Fed. Sch. E (1040)  
Fed. 1041  
Fed. 1065  
Fed. 1120

**FEDERAL RETURN  
SHOULD INCLUDE:**

- 1) Cost of Goods Sold Schedule
- 2) Schedule of "Other Deductions"

**MAKE CHECK PAYABLE TO:**

CITY OF GLASGOW  
MAIL OR DIRECT INQUIRIES TO:  
P.O. BOX 278  
GLASGOW, KY 42142-0278  
Phone (270) 651-5131

**Memo To Taxpayer**

1. Gross Receipts/Sales and Other Income per attached Federal Return.....	1		
2. Cost of Goods Sold and/or Operations plus other Federal Pre-Gross Income Deductions.....	2		
3. Gross Income per attached Federal Return (Line 1 less Line 2).....	3		
4. Total Deductions per attached Federal Return.....	4		
5. Net Profit/Income per attached Federal Return (Line 3 less Line 4).....	5		
6. Add Items not Deductible (Line 27, Section B on Back).....	6		
7. Total (Line 5 plus Line 6).....	7		
8. Subtract Items not Subject (Line 33, Section B on Back).....	8		
9. Adjusted Net Profit/Income (Line 7 less Line 8).....	9		
10. Average Percentage If Applicable (Line 37, Section C on Back).....	10	_____	_____ %
11. Net Profit Subject to License Fee (Line 9 multiplied by Line 10).....	11		
12. License Fee Due 1 1/2% (Line 11).....	12		
13. <b>Minimum License Fee</b> .....	13		<b>\$25 00</b>
14. Greater of Line 12 or 13.....	14		
15. Credits, Estimated Payments.....	15		
16. Refund or Credit. If Line 15 is Greater than Line 14, Enter Difference (Circle Refund or Credit).....	16		
17. Balance Due. If Line 14 is greater than line 15, Enter Difference as License Fee Due.....	17		
18. Interest- 1 percent per month or portion of month.....	18		
19. Penalty- 5 percent per month or portion of month not to exceed 25 percent, <b>minimum penalty \$25</b> .....	19		
20. Total amount due (add lines 17, 18 and 19).....	20		

I hereby certify that the statements made herein and in any supporting schedule are true, correct and complete to the best of my knowledge.

**RETURN  
MUST BE  
SIGNED.**

x \_\_\_\_\_  
Signature of Individual Preparing Return      Phone      Signature of Taxpayer      Phone

**For Year Ended**

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**Due On Or Before**

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**Mailing Address**

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**City Occupational Account Number**

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**S.S. # and/or FED. I.D.**

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BUSINESS CLASSIFICATION (CHECK ONE):  
 CORPORATION     PARTNERSHIP  
 INDIVIDUAL     FIDUCIARY     OTHER

Date Business Activity Began In  
 Glasgow: \_\_\_\_\_  
 Date Business Activity Ceased In  
 Glasgow: \_\_\_\_\_

**NET PROFIT LICENSE FEE RETURN INSTRUCTIONS**

**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 the greater of twenty five dollars (\$25.00) or one and one-half (1½%) percent of the net profits of such business, profession or other enterprise if and to the extent of business conducted in or derived from activity inside the City limits.

**WHO SHOULD FILE-** The Net Profit License Fee Return is to be filed by any entity having receipts and/or payroll within the City Limits of Glasgow. The return also must be filed to pay occupational license fee due on wages earned in the City which did not have the license fee withheld. Non-employee earnings qualify as subject income. Receipts from the rental of real estate are required to be reported as subject income except for natural persons renting no more than 5 residential units.

**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 fraction of a month. All license fees remaining unpaid after the original due date, or approved extension date, whichever shall be later, shall be subject to a five (5) percent penalty per month. The total penalty levied shall not exceed 25%; however, a minimum penalty of \$25 shall apply.

**SECTION B**

ITEMS NOT DEDUCTIBLE	ITEMS NOT SUBJECT
21. State and Local Taxes based on Income _____	28. Interest on U.S. Obligations _____
22. License Fee Under this Ordinance _____	29. Kentucky alcoholic beverages net _____ (attach schedule)
23. Net Operating Loss Carryover _____	30. IRC Section 78 dividends and IRC 951 _____ dividends
24. Partners Guaranteed Payments _____ and Salaries (attach schedule)	31. Non business interest and dividends _____ (attach schedule)
25. Non-Business Expenses _____	32. Other (attach full explanation & schedule) _____
26. Other (specify) _____ (Attach separate schedule if necessary)	33. TOTAL ITEMS NOT SUBJECT _____ (add lines 28-32)(Enter on Line 8)
27. TOTAL ITEMS NOT DEDUCTIBLE _____ (add lines 21-26)(Enter on Line 6)	

**SECTION C**

Section C (Lines 34-37) must be completed by licensees with gross income and/or wages, salaries and other compensation, both within and without the city limits of Glasgow. Completion of this section allocates the proportionate share of total business activity attributable to Glasgow. If gross income or payroll exists, but not within the City of Glasgow a zero percentage should be added in Column C when calculating the Average Percentage (Line 37).

ALLOCATION FACTORS	Col. A Glasgow	Col. B Total	Col. C Percentage
34. Gross Receipts/Sales ----- (If not applicable write N / A in column C)	\$ _____	\$ _____	_____ %
35. Total Wages, Salaries & Other Compensation ---- (If not applicable write N / A in column C)	\$ _____	\$ _____	_____ %
36. Total Percents (Line 34 Col. C plus Line 35 Col. C) -----			_____ %
37. Average Percentage (Line 36 Divided by number of applicable percents ) Enter on Line 10 -----			_____ %