



1900020003

- 20 Check the box that represents your total family size (see instructions before completing lines 20 and 21)
- 21 Multiply line 19 by **Family Size Tax Credit** decimal amount ____ (____%) from Schedule ITC.....
- 22 Subtract line 21 from line 19.....
- 23 Enter the **Education Tuition Tax Credit** from Form 8863-K.....
- 24 Enter **Child and Dependent Care Credit** from federal Form 2441, line 11 ► _____ x 20% (.20)
- 25 Enter **Income Gap Tax Credit** from Schedule ITC
- 26 **Income Tax Liability.** Subtract lines 23 through 25 from line 22. If zero or less, enter zero
- 27 Enter **KENTUCKY USE TAX due on Internet, mail order, or other out-of-state purchases (see instructions)**....
- 28 Add lines 26 and 27. This is your **TOTAL TAX LIABILITY**
- 29 **For amended return;** overpayment, if any, shown on original return
- 30 Add lines 28 and 29, enter here

20	1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/>	
21		00
22		00
23		00
24		00
25		00
26		00
27		00
28		00
29		00
30		00

- 31 a Enter **Kentucky income tax withheld** as shown on enclosed Schedule KW-2
- b Enter 2019 Kentucky estimated tax payments
- c Enter 2019 refundable certified rehabilitation credit
- d **For amended return;** enter amount paid with original return plus additional payment(s) made after it was filed

31a		00
31b		00
31c		00
31d		00

- 32 Add lines 31(a) through 31(d)
- 33 If line 30 is larger than line 32, subtract line 32 from line 30, enter **ADDITIONAL TAX DUE**
- 34 a Estimated tax penalty **Check if Form 2210-K attached**
- b Interest
- c Late payment penalty
- d Late filing penalty.....

34a		00
34b		00
34c		00
34d		00

- 35 Add lines 34(a) through 34(d). Enter here.....
- 36 If the total of lines 30 and 35 is more than line 32, subtract line 32 from the total of lines 30 and 35. This is the **AMOUNT YOU OWE**, continue to page 3..... **OWE**
- 37 If line 32 is more than line 30, subtract lines 30 and 35 from line 32. This is the **AMOUNT YOU OVERPAID**, continue to page 3

32		00
33		00
35		00
36		00
37		00



1900400003

38 FUND CONTRIBUTIONS; see instructions.

a	Nature and Wildlife Fund.....	38a	00
b	Child Victims' Trust Fund.....	38b	00
c	Veterans' Program Trust Fund.....	38c	00
d	Breast Cancer Research/Education Trust Fund.....	38d	00
e	Farms to Food Banks Trust Fund.....	38e	00
f	Local History Trust Fund.....	38f	00
g	Special Olympics Kentucky.....	38g	00
h	Pediatric Cancer Research Trust Fund.....	38h	00
i	Rape Crisis Center Trust Fund.....	38i	00
j	Court Appointed Special Advocate Trust Fund.....	38j	00
k	YMCA Youth Association Fund.....	38k	00

39	Add lines 38(a) through 38(k).....	39	00
40	Amount of line 37 to be CREDITED TO YOUR 2020 ESTIMATED TAX CREDIT FORWARD	40	00
(Credit forwards not available for amended returns)			
41	Subtract lines 39 and 40 from line 37. Amount to be REFUNDED TO YOU REFUND	41	00

REFUND OPTIONS (Not available for amended returns)

Check here if you would like your refund issued on a Bank of America Prepaid Debit Card

Check here if you would like to receive your Debit Card material in Spanish

I, the undersigned, declare under penalties of perjury that I have examined this return, including all accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct and complete. I also understand and agree that our election to file a combined return under the provisions of Regulation 103 KAR 17:020 will result in refunds being made payable to us jointly and in each of us being jointly and severally liable for all taxes accruing under this return.

Sign Here	Signature of Taxpayer	Driver's License/State Issued ID No.	Date	Telephone Number (daytime)
	Signature of Spouse	Driver's License/State Issued ID No.	Date	
Paid Preparer Use	Signature of Preparer		Date	
	Name of Preparer or Firm		ID Number	
	Email	Telephone No.	May the DOR discuss this return with this preparer? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Enclose	Include a complete copy of federal Form 1040, if you received farm, business, or rental income or loss. If not required, check here. <input type="checkbox"/>		Refund or No Payment	Kentucky Department of Revenue Frankfort, KY 40618-0006
Payment	Check Payable: Kentucky State Treasurer E-Pay Options: www.revenue.ky.gov Include: Your Social Security number and "KY Income Tax—2019"		With Payment	Kentucky Department of Revenue Frankfort, KY 40619-0008

General Information

Which form should I file?

File Form 740 if you are a full-year Kentucky resident and meet the filing requirements in the Instructions for Form 740.

File Form 740-NP if you are a nonresident and:

- had income from Kentucky sources.

or are a part-year Kentucky resident and:

- moved into or out of Kentucky during the taxable year.
- had income while a Kentucky resident.
- had income from Kentucky sources while a nonresident.

File Form 740-NPR if you are a resident of a reciprocal state: Illinois, Indiana, Michigan, Ohio, Virginia, West Virginia and Wisconsin and you had Kentucky income tax withheld and had no other income from Kentucky sources.

Computer-Generated Returns and 2-D Bar Code

Most software packages produce a 2-D bar code. The Department of Revenue scans the bar code that contains all of the information needed to process your return. The bar code is printed in the upper right-hand corner of the return when you prepare your return using an approved software package. **Last minute changes** should be entered into the program and the **entire** return printed again so that the bar code also contains the correct information. This bar code should not be covered up or marked through. Using the bar code reduces data entry errors for the department and results in a faster refund for you.

Check to be sure your software generates an acceptable form. A list of vendors whose software has been approved is posted on the Internet at www.revenue.ky.gov, the Department of Revenue's Web site.

New Way to File—

Kentucky is now offering a new way of filing your return free of charge. If you would like to fill out your Kentucky forms and schedules without software help or assistance you may use the new *KY File* website to file your current year return. This website is designed to be the simple electronic equivalent of a paper form. It will provide basic mathematical and error checks but unlike most software it does not ask about or explain tax situations. Your federal forms should be completed before accessing the new *KY File* website.

Where to Get Forms

Forms and instructions are available online from the Department of Revenue's Website at www.revenue.ky.gov and at all Kentucky Taxpayer Service Centers. They may also be obtained by writing FORMS, Kentucky Department of Revenue, P. O. Box 518, Frankfort, KY 40602-0518, or by calling (502) 564-3658.

Address Change

If you move after you file your tax return, please notify the Kentucky Department of Revenue of your new address. This can be done by sending a change of address card (available at your local post office) to: Taxpayer Assistance Section, Kentucky Department of Revenue, P.O. Box 181, Station 56, Frankfort, KY 40602-0181. Notification can also be made to any Kentucky Taxpayer Service Center. A list of locations is included in your packet.

Refund Inquiries

You may check the status of your refund at www.revenue.ky.gov. This system is available 24 hours a day, 7 days a week, and is updated nightly. The following information from your return will be required:

- Your Social Security Number shown on the return.
- The **exact** whole-dollar amount to be refunded to you.

Information about electronically filed returns should be available within 72 hours of receipt. Information about other refund requests filed on paper will be available after the return has completed initial processing (approximately 12 weeks).

Need a Copy of Your Tax Return?

If you need a copy of your tax return, you must send your request in writing to: Taxpayer Assistance Section, Kentucky Department of Revenue, P.O. Box 181, Station 56, Frankfort, KY 40602-0181. Please include your name(s) as it appeared on your return, Social Security number(s), your complete mailing address, and a photo ID. To ensure confidentiality, all requests must include your signature.

How Long Should Records be Kept?

Keep a copy of your tax return, worksheets and records of all items appearing on it (such as Forms W-2 and 1099 or other receipts) until the statute of limitations runs out for that return. Usually, this is four years from the date the return was due or filed (with extensions), or the date the tax was paid, whichever is later. You should keep some records longer. For example, keep property records (including those on your home) as long as they are needed to figure the basis of the original or replacement property.



Filing as an Injured Spouse on Your Federal Form 1040?

Kentucky does not recognize the federal injured spouse form. Income tax refunds may be withheld by the department if you owe money to the Kentucky Department of Revenue, another state agency or the Internal Revenue Service.

Kentucky law requires the offset of the entire refund if a joint return is filed. **If spouses want to keep their tax liabilities and/or refunds separate, each must file a separate tax form.** If you choose to file separately on a combined return, for agencies other than the Department of Revenue, the refund will be apportioned between spouses, based on each spouse's income. The indebted spouse's refund will then be paid to the appropriate agency.

Death of a Taxpayer

If a taxpayer died before filing a return for 2019, the taxpayer's spouse or personal representative may have to file and sign a return for that taxpayer. A personal representative can be an executor, administrator or anyone who is in charge of the deceased taxpayer's property. If the deceased taxpayer did not have to file a return but had tax withheld, a return must be filed to get a refund. The person who files the return should check the applicable deceased box at the top of the return.

If your spouse died in 2019 and you did not remarry in 2019, you can file jointly or separately on a combined return. The return should show your spouse's 2019 income before death and your income for all of 2019. You can also file jointly or separately on a combined return if your spouse died in 2020 before filing a 2019 return. Write "**Filing as surviving spouse**" in the area where you sign the return. If someone else is the personal representative, he or she must also sign.

Death of Military Personnel Killed in Line of Duty

KRS 141.019(k) exempts all income earned by soldiers killed in the line of duty from Kentucky tax for the year during which the death occurred and the year prior to the year during which the death occurred.

The exemption applies to tax years beginning after December 31, 2001. The income exclusion applies to all income from all sources of the decedent, not just military income. The exclusion includes all federal and state death benefits payable to the estate or any beneficiaries.

Amended returns may be filed for the year the soldier was killed in the line of duty and the year prior to the year of death. The amended returns must be filed within the statute of limitations period; four years from the due date, the extended due date or the date the tax was paid, whichever is later.

If a combined return was filed, the exclusion would apply to the income reported in Column A or Column B of the Kentucky return attributable to the military member. If a joint return was filed, the income must be separated accordingly. Refunds will be issued in the names on the original return. Beneficiaries or estates that received death benefits that were included in a Kentucky return may file an amended return to request a refund of taxes paid on the benefit.

The Department of Revenue will use the Veterans Administration definition for "in the line of duty," which states that a soldier is in the line of duty when he or she is in active military service, whether on active duty or authorized leave; unless the death was the result of the person's own willful misconduct.

Income Tax Withholding for 2020

You may elect to increase your withholding by updating your K-4 with your employer. Or if you do not expect to have any tax liability for the current year or you meet the modified gross income requirement, you may be entitled to claim an exemption from withholding of Kentucky income tax.

2020 Estimated Tax Payments

Individuals who can reasonably expect to have income of more than \$5,000 from which no Kentucky income tax will be withheld may be required to make estimated tax payments on Form 740-ES. However, if the amount of estimated tax is \$500 or less, no estimated payments are required. Individuals who do not prepay at least 90% of the tax to be shown on the 2020 tax return, or 100% of the tax shown on the 2019 tax return, may be subject to a penalty for underpayment of estimated tax. For more information on calculating the penalty, please refer to Form 2210-K. Prepayments for 2020 may be made through withholding, a credit forward of a 2019 overpayment or estimated tax installment payments.

Estimated tax installments may now be made electronically at www.revenue.ky.gov, using Form EPAY, or when electronically filing your return using Form 8879-K, or through mailing a 740-ES with payment.

The instructions for Form 740-ES include a worksheet for calculating the amount of estimated tax due and for making installment payments. These forms may be obtained from the Kentucky Department of Revenue, P. O. Box 518, Frankfort, KY 40602-0518, or any Kentucky Taxpayer Service Center, or by calling (502) 564-3658.

Return Adjustments

If the Department of Revenue adjusts your return and you do not understand the adjustment, you may write to Taxpayer Assistance, Kentucky Department of Revenue, P.O. Box 181, Station 56, Frankfort, KY 40602-0181 or call (502) 564-4581. If you disagree with an adjustment made to your return, you may appeal that adjustment by submitting a written protest within 60 days of notification.

Amended Returns

If you discover that you omitted deductions or otherwise improperly prepared your return, you may obtain a refund by filing an amended return within four years of the due date of the original return. *You are required to file an amended return to report omitted income.* For 2017 and later use form 740 and check the box for amended. For 2016 and prior, use Form 740-X. You may obtain these forms by contacting a Kentucky Taxpayer Service Center or writing FORMS, Kentucky Department of Revenue, P. O. Box 518, Frankfort, KY 40602-0518. You may also download forms at www.revenue.ky.gov the Department of Revenue's website.

Federal Audit Adjustments



Taxpayers who have received a final determination of an Internal Revenue Service audit must submit a copy to the department within 180 days of its conclusion. The information should be submitted to the Individual Governmental Program Section, Kentucky Department of Revenue, P.O. Box 1074, Station 68, Frankfort, KY 40602-1074.

Confidentiality

Kentucky Revised Statute 131.190 requires the Department of Revenue to maintain strict confidentiality of all taxpayer records. No employee of the Department of Revenue may divulge any information regarding the tax returns, schedules or reports required to be filed. However, the Department of Revenue is not prohibited from providing evidence to or testifying in any court of law concerning official tax records. **Also, Department of Revenue employees or any other person authorized to access confidential state information are prohibited from intentionally viewing such information without an official need to view.**

The department may provide official information on a confidential basis to the Internal Revenue Service or to any other governmental agency with which it has an exchange of information agreement whereby the department receives similar or useful information in return.

Extension of Time to File

Taxpayers who are unable to file a return by April 15 may request an extension. Taxpayers may elect to file this request electronically or by mailing the extension to the Department of Revenue on or before the due date of the return. The request must state a reasonable cause for the inability to file. Inability to pay is not an acceptable reason. Acceptable reasons include, but are not limited to, destruction of records by fire or flood and serious illness of the taxpayer. Extensions are limited to six months. **A copy of the Kentucky extension request must be enclosed with the return.**

Individuals who receive a federal extension are not required to request a separate Kentucky extension. They can meet the requirements by enclosing a copy of the application for automatic federal extension to the Kentucky return.

IRS extensions by e-file (by personal computer or a tax professional)—Enclose a copy of Form 4868 with the confirmation number in the lower right-hand corner of the form or a copy of the electronic acknowledgment.



Military Personnel—Kentucky residents who are in the military are often granted extensions for tax filings when serving outside the United States. Any extension granted for federal income tax purposes will be honored for Kentucky income tax purposes.

Combat Zone Extension—Members of the Army, Navy, Marines, Air Force, or Public Health Service of the United States government who serve in an area designated as a combat zone by presidential proclamation shall not be required to file an income tax return and pay the taxes, which would otherwise become due during the period of service, until 12 months after the service is completed. Members of the National Guard or any branch of the Reserves called to active duty to serve in a combat zone are granted the same extension.

Interest and Penalties—Interest at the "tax interest rate" applies to any income tax paid after the original due date of the return. If the amount of tax paid by the original due date is less than 75 percent of the tax due, a **late payment penalty** may be assessed (minimum penalty is \$10).

Interest and penalty charges can be avoided or reduced by sending payment with your extension request by the due date. If you wish to make a payment

prior to the due date of your return when using the:

- (1) **Kentucky Extension**—Complete Section II, Kentucky Extension Payment Voucher, of the Application for Extension of Time to File, Form 740EXT, and send with payment. Write "KY Income Tax—2019" and your Social Security number(s) on the face of the check.
 - (2) **Federal Automatic Extension**—Make a copy of the lower portion of the federal Application for Automatic Extension, Form 4868, and send with payment. Write "KY Income Tax—2019" and your Social Security number(s) on the face of the check.
-

Personal Property Forms

Kentucky business taxpayers are reminded to report all taxable personal property, except motor vehicles, owned on January 1 to either the property valuation administrator in the county of residence (or location of business) or the Office of Property Valuation in Frankfort. Tangible personal property is to be reported on the Tangible Personal Property Tax Return, Form 62A500.



The due date for this return is May 15. **Do not mail this return with your income tax return; use a separate envelope.**

Kentucky State Treasury—Unclaimed Property

Individuals—The Kentucky State Treasury may be holding unclaimed property for you or your family. The Treasury holds hundreds of millions of dollars from bank accounts, payroll checks, life insurance, utility deposits, and other types of property that have been unclaimed by the owners. Please visit www.treasury.ky.gov or www.missingmoney.com for more information on how to locate and claim any funds that may belong to you.

Businesses—Kentucky businesses are required to comply with the Kentucky Revised Uniform Unclaimed Property Act, codified as KRS Chapter 393A. If you have uncashed vendor checks, payroll checks, unclaimed customer deposits or refunds, or other types of property belonging to third-parties, you may be required to turn the property over to the Kentucky State Treasury. Please review KRS Chapter 393A, or visit treasury.ky.gov for more information.

2019 FEDERAL/KENTUCKY INDIVIDUAL INCOME TAX DIFFERENCES

Kentucky income tax law is based on the federal income tax law in effect on December 31, 2018. The Department of Revenue generally follows the administrative regulations and rulings of the Internal Revenue Service in those areas where no specific Kentucky law exists.

The chart below provides a quick reference guide to the major federal/Kentucky differences. It is not intended to be all inclusive. Items not listed may be referred to the Department of Revenue to determine Kentucky tax treatment.

PROVISION	FEDERAL TAX TREATMENT	KENTUCKY TAX TREATMENT
1. Interest from Federal Obligations	Taxable	Exempt
2. Retirement Income from:		Partially exempt if retired after December 31, 1997; exempt if retired before January 1, 1998; Schedule P may be required
Commonwealth of Kentucky Retirement Systems	Taxable	
Kentucky Local Government Retirement Systems	Taxable	
Federal and Military Retirement Systems	Taxable	
3. Pensions and Annuities Starting After 7/1/86 and Before 1/1/90	3-year recovery rule eliminated	3-year recovery rule retained
4. Other Pension and Annuity Income	Taxable	100% excludable up to \$31,110 per taxpayer; Schedule P may be required
5. Benefits from U.S. Railroad Retirement Board	May be taxable	Exempt; Schedule P may be required
6. Social Security Benefits	May be taxable	Exempt
7. Capital Gains on Sale of Kentucky Turnpike Bonds	Taxable	Exempt
8. Other States' Municipal Bond Interest Income	Exempt	Taxable
9. Kentucky Local Government Lease Interest Payments	Taxable	Exempt
10. Capital Gains on Property Taken by Eminent Domain	Taxable	Exempt
11. Election Workers—Income for Training or Working at Election Booths	Taxable	Exempt
12. Artistic Contributions	Noncash contribution allowed as itemized deduction	Appraised value allowed as itemized deduction or adjustment to income
13. State Income Taxes	Deductible	Nondeductible
14. Leasehold Interest—Charitable Contribution	May be deductible	Deductible; Schedule HH required
15. Work Opportunity Credit (federal Form 5884)	Tax credit allowed; wage expense reduced by amount of credit	No credit allowed; entire wage expense is deductible
16. Welfare to Work Credit (federal Form 8861)	Tax credit allowed; wage expense reduced by amount of credit	No credit allowed; wage expense reduced by amount of federal credit
17. Child and Dependent Care Credit	Tax credit based on expenses	20% of federal credit
18. Family Size Tax Credit	No credit allowed	Decreasing tax credit allowed
19. Education Tuition Tax Credit	Tax credit based on expenses	Credit allowed Form 8863-K required
20. Child's Income Reported by Parent	Permitted; taxed at parent's rate	Not permitted
21. Active Duty Military Pay	Taxable	Exempt
22. Certain Business Expenses of Reservists	Deductible	Nondeductible
23. Moving Expenses for Members of the Armed Forces	Deductible	Nondeductible
24. Medical and Dental Expenses	Deductible	Nondeductible
25. Local Income Taxes	Deductible—limited	Nondeductible
26. Real Estate Taxes	Deductible—limited	Nondeductible
27. Personal Property Taxes	Deductible—limited	Nondeductible
28. Casualty and Theft Losses	Deductible	Nondeductible
29. Job Expenses and Other Miscellaneous Deductions	Nondeductible	Nondeductible

INSTRUCTIONS

2019 FORM 740

Do You Have to File a Kentucky Return?

If you were a Kentucky resident for the entire year, your filing requirement depends upon your family size, modified gross income, Kentucky adjusted gross income and income from self-employment. You must file if your modified gross income exceeds the amount in Chart A and your Kentucky adjusted gross income exceeds the amount in Chart B.

Complete your federal tax return first. If you are not required to file a federal tax return, see instructions for line 5.

MODIFIED GROSS INCOME AND FAMILY SIZE (Use With Chart A)

Family Size—Consists of yourself, your spouse if married and living in the same household and qualifying children. For the purposes of computing the Family Size Tax Credit, the maximum family size is four.

Qualifying Dependent Child—Means a qualifying child as defined in Internal Revenue Code Section 152(c), and includes a child who lives in the household but cannot be claimed as a dependent if the provisions of Internal Revenue Code Section 152(e)(2) and 152(e)(4) apply. In general, to be a taxpayer's qualifying child, a person must satisfy four tests:

- **Relationship**—The taxpayer's child or stepchild (whether by blood or adoption), foster child, sibling or stepsibling, or a descendant of one of these.
- **Residence**—Has the same principal residence as the taxpayer for more than half the tax year. A qualifying child is determined without regard to the exception for children of divorced or separated parents. Other federal exceptions apply.
- **Age**—Must be under the age of 19 at the end of the tax year, or under the age of 24 if a full-time student for at least five months of the year, or be permanently and totally disabled at any time during the year.
- **Support**—Did not provide more than one-half of his/her own support for the year.

Modified Gross Income—Modified gross income is the greater of federal adjusted gross income adjusted to include interest income derived from municipal bonds (non-Kentucky) and lump-sum pension distributions not included in federal adjusted gross income; **or** Kentucky adjusted gross income adjusted to include lump-sum pension distributions not included in federal adjusted gross income.

Chart A	
If Your Family Size is:	Your Modified Gross Income is greater than:
One.....	and \$12,490
Two.....	and \$16,910
Three.....	and \$21,330
Four or More	and \$25,750

KENTUCKY ADJUSTED GROSS INCOME (Use Chart B if Modified Gross Income is Greater Than the Amounts in Chart A)

Kentucky Adjusted Gross Income—Consists of your federal adjusted gross income plus any additions and subtractions from Schedule M, Modifications to Federal Adjusted Gross Income.

Chart B	
If Your Filing Status is:	Your Kentucky Adjusted Gross Income is greater than:
Single— Under age 65.....	and \$ 2,590
Single— Age 65 or over or blind.....	and \$ 3,390
Single— Age 65 or over and blind.....	and \$ 4,190
Taxpayer and Spouse— Both under age 65.....	and \$ 2,590
Taxpayer and Spouse— One age 65 or over	and \$ 3,390
Taxpayer and Spouse— Both age 65 or over	and \$ 4,190

TAXPAYERS WITH SELF-EMPLOYMENT INCOME—Must file a Kentucky individual income tax return regardless of the amount of Kentucky adjusted gross income used in the Chart B if you have gross receipts from self-employment in excess of modified gross income for your family size in Chart A.

Part-time or part-year workers may have income taxes withheld from their paychecks even though the filing requirements are not met. An income tax return must be filed to claim a refund of the Kentucky taxes withheld.

TIP: Even though the filing requirements are not met, an income tax return must be filed to claim a refund of the Kentucky taxes withheld.

FILING REQUIREMENTS (Continued)

A child meeting the filing requirements must file a return even though being claimed as a dependent by the parent. Kentucky income tax law contains no special provisions for taxing the income of a minor child at the parent's tax rates nor the reporting of income of a child on the parent's return.

Generally, all income of Kentucky residents, regardless of where it was earned, is subject to Kentucky income tax.

Nonresidents and part-year residents must report income on Form 740-NP.

Military Personnel—MILITARY PAY EXCLUSION—Effective for taxable years beginning on or after January 1, 2010, all military pay received by active duty members of the Armed Forces of the United States, members of reserve components of the Armed Forces of the United States, and members of the National Guard will be exempt from Kentucky income tax KRS 141.019(l).

Soldiers will claim the exemption by excluding military pay when filing a Kentucky individual income tax return starting with the 2010 return. Provided the military member has no income other than military pay, he or she would not be required to file a Kentucky income tax return. The military pay exemption applies to all Kentucky military members regardless of where the member is stationed. Kentucky income tax should no longer be withheld from checks received for military pay, beginning January 1, 2010. If Kentucky income tax is incorrectly withheld from a soldier's military pay, the Department of Revenue will refund the tax withheld.

Kentucky residents who are in the military are often granted extensions for military service when serving outside the United States. Any extension granted for federal income tax purposes will be honored for Kentucky income tax purposes.

For Fiscal Year Filers Only—Most people pay taxes for a calendar year. However, if you file for a taxable year other than a calendar year or for part of a year, enter the beginning and ending dates of that year on the line at the top of the form.

For Deceased Taxpayers—If a taxpayer died before filing a return for 2019, the person who files the return should check the applicable deceased box.

When and Where to File

The income tax return for calendar year 2019 must be postmarked or submitted electronically no later than April 15, 2020, to avoid penalties and interest. Mail to:

Refund/Other Returns

Kentucky Department of Revenue
Frankfort, KY 40618-0006

Pay Returns

Kentucky Department of Revenue
Frankfort, KY 40619-0008

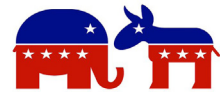
APRIL 2020						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

Taxpayers who expect refunds should file as early as possible to receive refunds promptly. If you have your tax return prepared by another person, you may wish to mail the return yourself in order to ensure prompt filing.

Social Security Number—You are required to provide your social security number per Section 405, Title 42, of the United States Code. This information will be used to establish your identity for tax purposes only.

Political Party Fund Designation

You may designate \$2 of your taxes to either the Democratic or Republican party if you have a tax liability of at least \$2 (\$4 for married persons filing joint returns). Fifty cents will be paid to the corresponding political organization in your county of residence and the remainder will be paid to the respective state political party. *This designation will not increase your tax or decrease your refund.* You may make this designation by checking the applicable box. A taxpayer and spouse may each make a designation. Persons making no designation should check the "No Designation" box.



Reporting Periods and Accounting Procedures

Kentucky law requires taxpayers to report income on the same calendar or fiscal year and to use the same methods of accounting as required for federal income tax purposes. Any federally approved change in accounting period or methods must be reported to the Kentucky Department of Revenue. Enclose a copy of the federal approval.

Changes to federal income tax law made after the Internal Revenue Code reference date contained in KRS 141.010(15) shall not apply for purposes of Chapter 141 unless adopted by the General Assembly.

Filing Status

Legal liabilities are affected by the choice of filing status. Married persons who file joint or combined returns are jointly and severally liable for all income taxes due for the period covered by the return. That is, each spouse may be held legally responsible for payment of taxes on income earned by the other. If spouses want to credit the refund of one against the liability of the other or combine their tax liabilities or refunds, they must file a combined return. **If spouses want to keep their tax liabilities and/or refunds separate, each must file a separate tax form.**



Check the box that describes your filing status. If you are married, filed a joint federal return and both you and your spouse had income, you may be able to reduce your tax by using Filing Status 2 rather than Filing Status 3.

Filing Status 1, Single—Use this filing status if you are unmarried, divorced, widowed, legally separated by court decree, or if you filed as "Head of Household" or "Qualifying Widow(er)" on your federal return.

Filing Status 2, Married Filing Separately on This Combined Return—Use this filing status to report your incomes individually but on only one tax form. You do this by filling in both Columns A and B. You may file separately on this combined return regardless of whether you filed jointly or separately for federal purposes if both you and your spouse had income. This filing status usually results in a lower tax than Filing Status 3.

Each spouse must claim his or her own income and deductions. The total of line 5, Columns A and B, must equal the combined federal adjusted gross income.

Filing Status 3, Married Filing Joint Return—Use this filing status if you and your spouse choose to file a joint return even if one spouse had no income. Jointly means that you and your spouse add your incomes together and report in Column B. If both you and your spouse have income, it may be to your benefit to use Filing Status 2.

Filing Status 4, Married Filing Separate Returns—If using this filing status, you and your spouse must file two separate tax forms. When filing separate returns, the name and Social Security number of each spouse must be entered on both returns. Enter the spouse's Social Security number in the block provided, and enter the name on line 4.

Adjusted Gross Income

Line 5, Federal Adjusted Gross Income

Enter the total amount of your federal adjusted gross income from your federal income tax return in Column B if Filing Status 1, 3 or 4 is used. Use Column A only when entering your spouse's income on a combined return (Filing Status 2). When using Filing Status 2, Columns A and B, line 5, must equal your federal adjusted gross income. **(Do not confuse federal adjusted gross income with federal taxable income shown on the federal return.)**

Where taxpayer and spouse have filed a joint return for federal income tax purposes and have not elected to file a joint Kentucky income tax return, each spouse must claim his or her own income and deductions.

If you are not required to file a federal income tax return, enter on line 5 the total of wages, salaries, tips, fees, commissions, bonuses, other payments for personal services, taxable scholarships and fellowships, taxable interest and dividends, trade or business income, unemployment compensation and all other income from sources within and without Kentucky including amounts not reported on enclosed wage and tax statements (Schedule KW-2). If you have income not supported by a wage and tax statement, enclose a supporting schedule showing the source and amount.

Determining Kentucky Adjusted Gross Income—Kentucky law requires that the individual income tax return begin with federal adjusted gross income and be adjusted for any differences to arrive at Kentucky adjusted gross income. Schedule M is designed to make "additions to" federal adjusted gross income and provides for "subtractions from" federal adjusted gross income. For a list of differences, see the Federal/Kentucky Individual Income Tax Differences chart and the line-by-line instructions.

Line 6—Additions to Federal Adjusted Gross Income—Enter amount from Schedule M, Part I, line 6.

Line 8—Subtractions from Federal Adjusted Gross Income—Enter amount from Schedule M, Part II, line 17.

Line 9—Kentucky Adjusted Gross Income—Subtract line 8 from line 7. This is your **Kentucky Adjusted Gross Income**.

Taxable Income

Line 10, Deductions—Taxpayers may elect to itemize deductions or elect to use the standard deduction of \$2,590. *If one spouse itemizes deductions, the other must itemize.* See specific instructions for Schedule A.

Itemizers, complete Schedule A and enter allowable deductions on line 10.


Nonitemizers, enter the standard deduction of \$2,590. If married filing separately on a combined return, enter \$2,590 in both Columns A and B. **If filing a joint return, only one \$2,590 standard deduction is allowed.**

Line 11—Subtract line 10 from line 9. This is your **Taxable Income**.

Tax

Line 12—Determining Your Tax

Tax Computation—Multiply line 11 by 5% (.05).

Farm Income Averaging, Schedule J—If you elect farm income averaging on your federal return, you may also use this method for Kentucky. The amount of income you may average is limited to the amount elected for federal purposes. Enter tax from Schedule J, line 22, on Form 740, line 12, and check the box for "Schedule J." Enclose completed Schedule J. 

Line 13, Lump-Sum Distribution—Special 10-Year Averaging—Kentucky allows a special 10-year averaging method for determining tax on lump-sum distributions received from certain retirement plans that qualify for federal 10-year averaging. If this special method is used for federal purposes, Form 4972-K, Kentucky Tax on Lump-Sum Distributions, and Schedule P, Pension Income Exclusion, must be filed with Form 740. Enter tax from Form 4972-K and check the box.

Recycling Composting Recapture—Enter amount from Schedule RC-R and check the box.

Distilled Spirits Recapture—Enter amount from Schedule DS-R and check the box.

Angel Investor Recapture—Enter amount of Angel investor income tax credit recapture and check the box.

If Form 4972-K, Schedule RC-R, Schedule DS-R and/or you had an angel investor recapture, add the amounts together and enter the total on line 13.

Line 15—Enter amounts from Schedule ITC, Section A, lines 24E and 24F. See instructions for Schedule ITC.

Line 17—Enter amounts from Schedule ITC, Section B.

NOTE: Use only if 65 or over, blind, or in Kentucky National Guard. See instructions for Schedule ITC.

Line 19, Total Tax Liability—Married taxpayers filing a combined return must add the amounts on line 18, Columns A and B, and enter the sum on line 19. Other taxpayers should enter the amount from line 18, Column B, on line 19.

Line 20 and Line 21, Family Size Tax Credit—The Family Size Tax Credit is based on modified gross income (MGI) and the size of the family. If your total MGI is \$34,248 or less, you may qualify for Kentucky Family Size Tax Credit.

Enter Family Size. See Schedule ITC for instructions.

Enter Family Size Tax Credit decimal amount determined from Family Size Tax Credit Table. See instructions for Schedule ITC.

Line 23, Education Tuition Tax Credit—Complete Form 8863–K to claim this credit. See form and instructions.

Line 24, Child and Dependent Care Credit—Enter in the space provided the amount of credit calculated on federal Form 2441, line 11, for child and dependent care expenses. Multiply this amount by 20 percent (.20), and enter result on line 24.

If you do not meet the filing requirements to file a federal income tax return but would have been entitled to the federal

child and dependent care credit, you may claim the child and dependent care credit for Kentucky purposes. Complete and enclose federal Form 2441, state on the form “did not meet federal filing requirements” and follow instructions for line 24.

Line 25, Income Gap Tax Credit—The income gap tax credit is based on modified gross income (MGI) and the size of the family. See Schedule ITC for instructions.

Line 27, Kentucky Use Tax

Important Reminder from the Department of Revenue About Out-of-State Purchases:

If you made untaxed purchases from out-of-state retailers, the use tax line on your return should contain a number.

Like every other state that has a sales tax, Kentucky has a use tax that requires that out-of-state purchases of tangible personal property, digital property and extended warranties for use in Kentucky be taxed at the same amount as if they had taken place in Kentucky and subjected to Kentucky’s sales tax. This ensures equality of treatment between in-state and out-of-state transactions. Although the use tax has been in the tax code since 1960, it is now more relevant than ever because of the increasing percentage of online sales. Pursuant to KRS 139.330, a 6 percent use tax is due if you make out-of-state purchases for storage, use or other consumption in Kentucky and did not pay at least 6 percent state sales tax to the seller at the time of purchase. **For example, if you order from catalogs, make purchases through the Internet, or shop outside Kentucky** for items such as clothing, shoes, jewelry, cleaning supplies, furniture, computer equipment, pre-written computer software, office supplies, books, souvenirs, exercise equipment or subscribe to magazines, you may owe use tax to Kentucky. It is important to remember that use tax applies **only** to items purchased from a retailer outside Kentucky, including another country, which would have been taxed if purchased in Kentucky.

For your convenience, a Use Tax Calculation Worksheet and Optional Use Tax Table are provided below. The Optional Use Tax Table is designed for those purchases of less than \$1,000. If you made untaxed out-of-state purchases in amounts under \$1,000, but do not have records readily available that show the amount of those purchases, you may use the Optional Use Tax Table below to estimate the compensating use tax based on your Kentucky Adjusted Gross Income (KYAGI). All untaxed purchases in the amount of \$1,000 or greater must be accounted for on an actual basis using the Use Tax Calculation Worksheet. Failure to timely report may result in assessment of penalty and interest in addition to the tax amount due.

Optional Use Tax Table	
KY AGI* Tax	
\$0 - \$10,000	\$4
\$10,001 - \$20,000	\$12
\$20,001 - \$30,000	\$20
\$30,001 - \$40,000	\$28
\$40,001 - \$50,000	\$36
\$50,001 - \$75,000	\$50
\$75,001 - \$100,000	\$70
Above \$100,000	Multiply AGI by 0.08% (0.0008)
* AGI from line 9 on KY Form 740 or KY Form 740-NP.	

Use Tax Calculation Worksheet	
Call 502-564-5170 for assistance.	
1. Purchases of \$0 to \$1,000 x 6 percent (.06) OR Use Tax Table Amount	\$
2. Purchases of \$1,000 or more x 6 percent (.06)	\$
3. Total Use Tax Due (add lines 1 and 2)	\$
Report this amount on Form 740 or 740-NP, line 27.	


Credit Against the Kentucky Use Tax Due

You may reduce or eliminate the amount of Kentucky use tax due by the amount of state sales tax paid to the out-of-state seller on the same transaction. The reduction may not exceed the amount of Kentucky use tax due on the purchase. For example, if Georgia state sales tax of 4 percent is paid, only the additional 2 percent is due to Kentucky, or if Illinois state sales tax of 6.25 percent is paid, no additional Kentucky use tax is due. Sales tax paid to a city, county or another country cannot be used as a credit against Kentucky use tax due.

Need more information about use tax?

Visit our website at: www.revenue.ky.gov

Call or write:
 Kentucky Department of Revenue
 Attention: Use Tax
 P.O. Box 181, Station 53
 Frankfort, KY 40602-0181



Monday—Friday
 8 a.m.—5:00 p.m., ET
 (502) 564-5170

Line 29, Amended returns only—Enter any overpayment received from your original return.

Line 31(a), Tax Withheld—Enter the amount of Kentucky income tax withheld as shown on your Schedule KW-2. **This schedule must be enclosed with your return.** It is no longer necessary to submit W-2s, 1099s, and W2Gs with your return. Please retain these forms with your records and provide upon request.

You will not be given credit for Kentucky income tax withheld unless you enclose the Schedule KW-2.

Employers are required to give these wage and tax statements to employees no later than January 31, 2020. If by March 1 you are unable to obtain a wage and tax statement from an employer, contact the Department of Revenue for instructions.

You may not claim credit for tax **withheld** by another state. Within certain limitations, Kentucky residents may claim a credit for nonrefundable individual income tax **paid** to other states. See Schedule ITC, Section A, line 5.

Local government occupational, license or income tax must not be included on line 31(a).

Line 31(b), Estimated Tax Paid—Enter Kentucky estimated tax payments made for 2019 and amounts credited from the 2018 return.

Also, include on line 31(b) payments prepaid with extension requests. Identify as “prepaid with extension.”

Line 31(c), Refundable Certified Rehabilitation Credit—Enter 2019 approved refundable certified rehabilitation credit per KRS 141.382(1)(b).

Line 31(d), Amended Returns—Enter amount paid with original return plus additional payment(s) made after it was filed.

Line 32—Total of amounts on lines 31(a) through 31(d).

Line 33—Compare the amounts on lines 30 and 32. If line 30 is larger than line 32, subtract line 32 from line 30, enter additional tax due. This is your additional tax due before penalties and interest.

Penalties and Interest

Line 34(a), Estimated Tax Penalty—If the amount owed is more than \$500, you may be subject to a penalty for underpayment of estimated tax.

The amount of the penalty may be calculated on Form 2210-K. Form 2210-K may also be used by qualifying farmers and others to claim exemption to the penalty. If paying the penalty or claiming an exemption, complete Form 2210-K, enclose with your return and check the box beside line 34(a). Enter the amount of the penalty on line 34(a). The minimum penalty is \$25.

If your return is filed after April 15, 2020, or any tax due on the return is paid after April 15, 2020, you may be subject

to additional penalties and interest.

Line 34(b), Interest—Interest will be assessed at the “tax interest rate” from the original due date of the return until the date of payment.

Line 34(c), Late Payment Penalty—If the amount of tax due as shown on line 33 is not paid by the original due date of the return, a penalty of 2 percent of the tax computed due may be assessed for each 30 days or fraction thereof that the tax is past due, not to exceed 20 percent. The minimum penalty is \$10. However, if the amount timely paid is 75 percent of the tax determined due by the Department of Revenue, no late payment penalty will be assessed.

Line 34(d), Late Filing Penalty—If a return is not filed by the due date or the extended due date, a penalty of 2 percent of the total tax due for each 30 days or fraction thereof that a return is not filed may be assessed, not to exceed 20 percent. The minimum penalty is \$10.

Note: Penalties but not interest may be reduced or waived if reasonable cause for reduction or waiver can be shown.

Line 35, Total of amounts on lines 34(a) through 34(d).

Line 36, Amount You Owe—If the total of lines 30 and 35 is more than line 32, subtract line 32 from the total of lines 30 and 35. When filing the return, you must pay any tax due shown on line 36.

Your 2019 individual income tax may be paid using any of the following options:

- Form EPAY (42A740), if supported by your software vendor, may be used to make an electronic payment of tax due separately from filing your tax return. Refer to the Form EPAY (42A740) instructions for additional information.
- Form 8879-K, for use when simultaneously making an electronic payment and filing your return.
- Pay by Credit Card or ACH Debit through April 15, 2020. Kentucky accepts MasterCard, VISA, Discover or American Express. Access the Department of Revenue’s secure Website (www.revenue.ky.gov) to make electronic payments.
- Pay by check using Form 740-V if you filed your return electronically. Make check payable to Kentucky State Treasurer, write “KY Income Tax-2019” and your Social Security number on the face of the check. Enclose the check and Form 740-V in the same envelope.

If you need assistance with payment options, you may call the Department of Revenue at (502) 564-4581.

Note: If you cannot pay your tax in full, file your return and pay as much as possible by April 15. Contact the Department of Revenue for additional payment information.

Line 37, Amount Overpaid—If you have an overpayment on line 37 you may have all of this amount refunded to you. You also may contribute all or part of it to the Nature and Wildlife Fund, the Child Victims’ Trust Fund, the Veterans’ Program

Trust Fund, the Breast Cancer Research and Education Trust Fund, the Farms to Food Banks Trust Fund, Local History Trust Fund, Special Olympics Kentucky, Pediatric Cancer Research Trust Fund, Rape Crisis Center Trust Fund, Court Appointed Special Advocate Trust Fund, YMCA Youth Association Fund, and/or credit all or part of it toward your 2020 estimated tax.

Voluntary Refund Contributions

Donations to the following funds are voluntary and amounts donated will reduce your refund. You may contribute all or a portion of your overpayment to one or more of the following funds. Enter the amount you wish to contribute on the appropriate lines.

Line 38(a), Nature and Wildlife Fund—Contributions will purchase and protect Kentucky’s finest natural areas as state nature preserves and for nongame species protection. The Kentucky Department of Fish and Wildlife Resources and the Kentucky Nature Preserves work together to protect Kentucky’s rare plants and animals; and acquire the most naturally outstanding forests, wetlands and prairies in order to provide a home for Kentucky’s unique and diverse wildlife. Your tax deductible contributions play a critical role in protecting the wildlands that make Kentucky famous. *Contributions may also be made directly to the Nature and Wildlife Fund, c/o the Kentucky Nature Preserves, or c/o the Kentucky Department of Fish and Wildlife Resources, 300 Sower Blvd., 4th Floor, Frankfort, KY 40601.*



Help keep the Bluegrass state green!

*Kentucky Department of Fish and Wildlife Resources:
<http://www.fw.ky.gov>*

*Kentucky Nature Preserves:
<https://eec.ky.gov/Nature-Preserves/>*

Line 38(b), Child Victims’ Trust Fund (CVTF)—Contributions to this fund finance regional and statewide prevention programs which utilize innovative strategies to provide children with personal safety skills, teach adults how to keep children safe from child sexual abuse and exploitation, and inform the public about mandatory reporting of suspected child abuse. The CVTF also provides partial reimbursement for child sexual abuse medical exams at Children’s Advocacy Centers across the Commonwealth. This fund is administered through the Attorney General’s office and relies on tax-deductible contributions and private donations. *Contributions may be made directly to the Child Victims’ Trust Fund, Office of Child Abuse and Human Trafficking Prevention and Prosecution, 1024 Capital Center Drive, Suite 200, Frankfort, KY 40601, or by visiting <https://icareaboutkids.ky.gov>. For more information call (502) 696-5312.*



Line 38(c), Veterans’ Program Trust Fund—Contributions to this fund are administered by a Board of Directors. The Trust Fund is used to provide services to veterans that are not already resourced by state law or federal appropriation. In an effort to recognize the service and sacrifice of Kentucky’s deserving veterans, the fund supports programs that provide direct benefits to Kentucky veterans, programs

such as shelters for homeless men and women veterans, therapy programs including those providing service dogs, equine therapy, and other specialized therapy programs designed to assist veterans suffering from Post-Traumatic Stress Disorder. *Contributions may also be made directly to the Kentucky Veterans’ Program Trust Fund, 1111B Louisville Road, Frankfort, KY 40601.*

Line 38(d), Breast Cancer Research and Education Trust Fund—Contributions will be used to fund breast cancer research, education, awareness, treatment and screening. Additional information may be obtained from the Division of Women’s Health, (502) 564-3236 or at <https://chfs.ky.gov/agencies/dph/dwh/Pages/default.aspx>. *Contributions may also be made directly to the state Department for Public Health, Division of Administration and Financial Management, 275 East Main Street, HS1GWA, Frankfort, KY 40621, (502) 564-6663.*



Line 38(e), Farms to Food Banks Trust Fund—Contributions to this fund are used to offset farmers’ costs for providing Kentucky grown and raised surplus agricultural commodities to food banks. Cash flow for farmers is strengthened while access to healthy food among struggling Kentuckians is increased. This fund is administered by the Kentucky Department of Agriculture. *Contributions can also be made directly to the Farms to Food Banks Trust Fund, c/o the Kentucky Department of Agriculture, 111 Corporate Drive, Frankfort, KY 40601, (502) 573-0282.*



Line 38(f), Local History Trust Fund—Contributions to this fund support grants for local history organizations—museums, educators, genealogical societies, and more—that help preserve their communities’ heritage as well as share their role in Kentucky’s development and the lasting impact they have made on our commonwealth and nation. The fund is administered through the Kentucky Historical Society. *Contributions may also be made directly to the Local History Trust Fund, Kentucky Historical Society, 100 W. Broadway, Frankfort, KY 40601.*



Line 38(g), Special Olympics Kentucky—Contributions will help Special Olympics Kentucky provide confidence and self-esteem building sports programs for more than 10,000 athletes with intellectual disabilities in Kentucky. They will also help Special Olympics Kentucky provide more than 1,000 free medical screenings through our Healthy Athletes Program and give small children with intellectual disabilities a head start through our Young Athletes program. Contributions will also support our school-based programs that help build bridges and foster understanding between students with intellectual disabilities and their peers. *Contributions can also be made directly to Special Olympics Kentucky, 105 Lakeview Ct., Frankfort, KY 40601.*



Help Special Olympics Kentucky Change Lives!

Special Olympics Kentucky
<http://www.soky.org>

Line 38(h), Pediatric Cancer Research Trust Fund—Contributions will be used to fund pediatric cancer research and treatment for Kentucky patients. Additional information may be obtained from the Division of Prevention and Quality Improvement, (502) 564-7996 or at <http://chfs.ky.gov/dph/info/dpqi/cd>. *Contributions may also be made directly to the Pediatric Cancer Research Trust Fund, Department for Public Health, Division of Prevention and Quality Improvement, Chronic Disease Prevention Branch, 275 East Main Street, HS2WE, Frankfort, KY 40621.*



Line 38(i), Rape Crisis Center Trust Fund—Contributions to this fund are used to provide direct services to Kentucky citizens who have experienced sexual violence, sexual assault, or rape at any time in their lifetime as well as serving their family and friends. It is also used to provide programs to prevent perpetration of sexual assault against Kentucky's youth. Services and programs are provided by Kentucky's 13 regional rape crisis centers designated by the Cabinet for Health and Family Services, Department for Community Based Services. *Contributions can also be made directly to Kentucky Association of Sexual Assault Programs (KASAP), P. O. Box 4028, Frankfort, KY 40604, (502) 564-9433. Additional information on how to access services or programs can be viewed at www.kasap.org*

Line 38(j), Court Appointed Special Advocate Trust Fund—Contributions to this fund are used to support and strengthen the local Court Appointed Special Advocate (CASA) programs in Kentucky, where more than 1,100 trained volunteers advocate for the best interests of abused and neglected children. The trust fund is used to expand capacity of local CASA programs that train and recruit Kentucky's citizens who will advocate for abused and neglected children involved in Kentucky's court system. *Contributions may also be made directly to Kentucky CASA Network, 1640 Lyndon Farm Court, Suite 108, Louisville, KY 40223. Help support Kentucky's most vulnerable children. For more information about the KCN, call (502) 238-2154 or visit www.kentuckycasanetwork.org*

Line 38(k), Kentucky YMCA Youth Association Fund—Kentucky YMCA Youth Association is the largest Youth and Government program provider in the nation. 100% of contributions will go directly to provide scholarships to Kentucky schools and students attending the Kentucky Youth Assembly (KYA): an in-depth experiential learning program in which middle and high school students participate as state officials in simulated state-level legislative, advocacy, and courtroom proceedings. As a completely student-led and run program, KYA participants experience first-hand the workings of all branches of state government, and leave with increased knowledge, skills, and confidence to be active and effective participants in their communities. *Contributions may be made directly to the Kentucky YMCA Youth Association 91 C. Michael Davenport Blvd. Frankfort, KY 40601 or at www.kyymca.org/give.*

Line 39, Total of amounts on lines 38(a) through 38(k).

Line 40, Estimated Tax—You may credit all or part of the overpayment toward your estimated tax liability for 2020. Enter the amount you want credited on line 40. Credit forwards are not available on amended returns.

Line 41, Refund—Subtract amounts entered on lines 39 and 40 from line 37. Enter the difference, if any, on line 41. This amount will be refunded to you. If the total of lines 39 and 40 equals the amount on line 37, enter a zero on line 41.

Taxpayers may elect to receive their refund on a Bank of America Prepaid Debit Card (not available for amended returns). See Disclosure information on pages 29 and 30.

COPY OF FEDERAL RETURN

You must enclose a complete copy of your federal return if you received farm, business, or rental income or loss.

Check the box on Form 740, page 3 if you are not required to enclose a copy of your federal return.

SIGN RETURN

Be sure to sign on page 3 after completion of your return. Each return must be signed by the taxpayer. Joint and combined returns must be signed by both taxpayer and spouse. Returns that are not signed may be returned to you for signature.

Enter Driver's License/State issued ID number.

Enter a daytime telephone number where you can be reached. You may be contacted for additional information. Check the box if you will allow the Department of Revenue to discuss your return information with your preparer.