

CITY OF COVINGTON, KENTUCKY ANNUAL OCCUPATIONAL FEE & BUSINESS LICENSE RENEWAL RETURN FORM OL-3

www.covingtonky.gov

(859)292-2180

fax (859)292-2131

Taxable Year Ended		
Month	Day	Year

Print Business Name & Address Business Entity: <input type="checkbox"/> Individual <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> Other _____	Account # Social Security # or Federal ID # Remit To: CITY OF COVINGTON 20 W. Pike St. Covington, KY 41011
NOTE: The Annual Occupational Fee & the \$50 Business License Renewal Fee is Due to Maintain a Current License for the Year	

Due the 15th Day of the 4th Month Following the Close of the Taxable Year

Final Return (Check only to Inactivate Account. Complete Questions Below) No business activity within Covington during the taxable year

A) **COVINGTON BUSINESS LICENSE RENEWAL ONLY** (Complete All Questions and Go To Line 12, **ONLY** if no activity during taxable year)

B) If business entity is exempt from paying the occupational fee, state why. No business activity within Covington during the taxable year
 1 rental unit within Covington and total gross residential rents from all units < \$6,000 Nonprofit entity with no unrelated business income
 Other _____ C) Business Phone # _____ D) Principal business activity _____

E) Did the business have employees working within Covington during the taxable year No Yes (If Yes, Indicate the number) _____

F) If business activity was discontinued within Covington, enter the date business ceased operations and state why Dissolution
 Sale. If by sale, give name and address of successor _____ Other _____

G) Is the Business Entity an Affiliate of a Consolidated Corporate Federal Return? No Yes. If Yes, See Specific Instructions for Documentation Requirements

IMPORTANT PART IV: OCCUPATIONAL FEE & BUSINESS LICENSE RENEWAL FEE COMPUTATION

Attach Federal Return <input type="checkbox"/> Schedule C <input type="checkbox"/> Schedule E <input type="checkbox"/> Form 4797 <input type="checkbox"/> Form 6252 <input type="checkbox"/> Form 1065 <input type="checkbox"/> Form 1120S <input type="checkbox"/> Form 1120 <input type="checkbox"/> Form 8825 Other _____	1) Adjusted Net Income (See Reverse, Line L of Part I) _____ 2) Business Apportionment (Enter 100% or See Reverse, Line 4 of Part III) _____ 3) Taxable Net Profit (Multiply Line 1 by Line 2) _____ 4) Occupational Fee (Multiply Line 3 by 2.5%) _____ 5) Occupational Fee Due (Enter \$50 minimum or Line 4, whichever is greater) (Maximum Occupational Fee Due is \$40,000) _____ 6) Less Estimated Payments and Credits of Occupational Fee () _____ 7) Balance Occupational Fee Due (Subtract Line 6 from Line 5) _____ 8) Penalty @ 5% per month or fraction thereof (Minimum \$25, Max 25%) (A fraction of a month is counted as an entire month) _____ 9) Interest @ 1% per month or fraction thereof from Due Date (A fraction of a month is counted as an entire month) _____ 10) Total Occupational Fee Amount Due (Add Lines 7, 8, and 9) _____ 11) Business Renewal License Fee Due (Enter \$50) _____ 12) Enter \$50 Renewal Fee Credit (Enter \$50 Renewal Fee Credit ONLY if proof of pymt is attached. Attach Kenton County and Cities' Business License Renewal Return Form A CC1) () _____ 13) Total Occupational Fee and Business License Renewal Fee Due (Add Line 10 and Line 11. If applicable, Subtract Line 12) _____ 14) Overpayment of Fees Claimed (Enter ONLY if Line 13 is negative) () _____ <input type="checkbox"/> Refund <input type="checkbox"/> Credit to next year estimated payment
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RETURN MUST BE SIGNED - I hereby certify, under penalty of perjury, that the statements made herein and in any supporting schedules are true, correct, and to the best of my knowledge.

PREPARER'S SIGNATURE	LICENSEE'S SIGNATURE
DATE	DATE
PRINT NAME	PRINT NAME
SS#	TITLE

*****IMPORTANT*****
 Enclose Copy of Applicable
 Federal Form(s)

**CITY OF COVINGTON
 NET PROFIT WORKSHEET**

Account # _____

PART I: ADJUSTED NET INCOME

BUSINESS INCOME

- A) All business entities enter the net profit or loss as shown on Federal Schedule C and/or E (exclude passive losses), the ordinary income or loss from Federal Form 1065 or Form 1120S, the taxable income AFTER special deductions and net operating loss from Federal Form 1120, the taxable income from Federal Form 1041, the unrelated business taxable income from Form 990T, or equivalent. *NOTE INDIVIDUALS WITH THE RENTAL OF REAL PROPERTY ALLOCATE 100% TO THE TAX DISTRICT WHERE THE PROPERTY IS LOCATED. _____
- B) Individuals that report business income on Federal Schedule C and/or E, enter the gain or loss from the sale of business property used in a trade or business from Federal Form 4797 or 6252 reported on Schedule D _____
- C) Partnerships and corporations that are pass-through entities for Federal tax purposes enter the additions from Schedule K of Form 1065, 1120S, or equivalent _____
- D) All business entities enter other income items (See Specific Instructions) _____
- E) Partnerships and corporations that are pass-through entities for Federal tax purposes enter the allowable subtractions from Schedule K of Form 1065, 1120S, or equivalent _____
- F) TOTAL INCOME (Total of lines A through D less line E.) _____

ITEMS NOT DEDUCTIBLE - ADDITIONS TO TOTAL INCOME

- G) All business entities add back the state income taxes and occupational license fees based on net or gross income deducted from the Federal return _____
- H) Corporations add back the net operating loss allowed under Section 172 of the Internal Revenue Code deducted from Federal Form 1120, 1120-REIT, 990T, or equivalent _____

ITEMS NOT TAXABLE - SUBTRACTIONS FROM TOTAL INCOME

- I) All business entities subtract the alcoholic beverage sales deduction as calculated in Part II, Line 3 _____
- J) All business entities enter other adjustments (See Instructions) _____
- K) TOTAL ADJUSTMENTS (Add lines G and H then subtract lines I and J. Enter the total on line K) _____
- L) ADJUSTED NET INCOME (Add lines F and K. Enter total here and on front, line 1 of Part IV: OCCUPATIONAL FEE & BUSINESS LICENSE RENEWAL FEE COMPUTATION) _____

PART II: ALCOHOLIC BEVERAGE SALES DEDUCTION

NOTE: "Total Sales" is Total Gross Receipts of Business including Non-Alcoholic Beverage Sales

1) DIVIDE →	$\frac{\text{Kentucky Alcoholic Beverage Sales}}{\text{Total Sales}} = \frac{\quad}{\quad}$	%
2) Enter the total of line F of Part I: ADJUSTED NET INCOME		
3) Alcoholic Beverage Sales Deduction (Multiply line 1 by line 2. Enter here and line I, Part I)		

PART III: BUSINESS APPORTIONMENT

All licensees whose business operations were not conducted entirely in the City of Covington must complete this part, regardless of profit or loss.

DIVIDE ↓

APPORTIONMENT FACTORS	COLUMN A City of Covington	COLUMN B Every where	COLUMN C A / B = C
1) PAYROLL FACTOR Compensation Paid or Payable to Employees			%
2) SALES FACTOR Gross Receipts from Sales, Rents, Work or Services			%

***NOTE INDIVIDUALS WITH THE RENTAL OF REAL PROPERTY ALLOCATE 100% TO THE TAX DISTRICT WHERE THE PROPERTY IS LOCATED.**

- 3) TOTAL PERCENTAGES (Add Lines 1 and 2 of Column C) _____ %
- 4) **BUSINESS APPORTIONMENT** (If your business had both a sales factor and a payroll factor, then divide line 3 by two (2). However, if the business had either a sales factor or a payroll factor, but not both, then enter the single factor percentage here and on front, Line 2 of Part IV: OCCUPATIONAL FEE & BUSINESS LICENSE RENEWAL FEE COMPUTATION.) _____ %