SCHEDULE **CC**
Commonwealth of Kentucky
Department of Revenue

200222000L

COAL CONVERSION TAX CREDIT

2020

➤ **Attach to Form 720 or 720U.**

KRS 141.041

Name of Corporation	Federal Identification Number	Kentucky Corporation/LLET Account Number
	__ __ – __ __ __ __ __ __ __	__ __ __ __ __ __

Location of coal conversion facility (street, city, county, state)

(If more than one facility, complete a separate Schedule CC for each.)

USE OF UNIT—To qualify, the facility must: *(check appropriate box)*

☐ Generate steam or hot water for space heating or materials processing.
☐ Provide direct heat for industrial processes.

TYPE OF CONVERSION FOR WHICH CREDIT IS CLAIMED—To qualify, the facility must have: *(check appropriate box)*

☐ **A** Replaced a non-coal burning facility with a coal-burning facility.*   Date Completed __ __ / __ __ / __ __ __ __
☐ **B** Installed an additional facility capable of burning coal.*   Date Completed __ __ / __ __ / __ __ __ __
☐ **C** Converted a non-coal facility to a coal facility.*   Date Completed __ __ / __ __ / __ __ __ __
☐ **D** Substituted coal for other fuels in multi-fuel facility. Enter the calendar year
     used as base year __ __ __ __. *Complete Parts I and III below.*

* Attach a statement describing in detail the type of facility in use previously and the type of
  facility in use after replacement, addition, or conversion. *Complete Parts I and II below.*

PART I—SCHEDULE OF KENTUCKY COAL (Coal Subject to Taxation Under KRS Chapter 143) *The corporation must complete.*

Supplier	Supplier's Coal Severance ID Number	A Number of Tons Used	B Purchase Price of Tons Used	C Transportation Expense Included in B	D Net Cost (B Minus C)
(a)			00	00	00
(b)			00	00	00
(c)			00	00	00
(d)			00	00	00
(e)			00	00	00
(f)			00	00	00
TOTALS			00	00	00

PART II—COMPUTATION FOR NEW COAL USERS *(To be completed by a corporation that checked box A, B, or C above.)*

1	Total from Part I, Column D	1	00
2	Credit Rate is 4.5%...	2 x	**.045**
3	Tax Credit: Multiply amount on line 1 by line 2.	3	00
4	**LLET Credit**—Take appropriate amount from line 3 above. Enter here and on Schedule TCS, Part II, Column E...	4	00
5	**Corporation Income Tax Credit**—Take appropriate amount from line 3 above. Enter here and on Schedule TCS, Part II, Column F	5	00

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PART III—COMPUTATION OF COAL SUBSTITUTION *(To be completed by a corporation that checked box D on page 1.)*

1 Base year fuel input.

Fuel	Unit	A Number of Units Used		B Million BTUs/Unit (Avg.)		C Million BTUs/Fuel	D Percent of BTUs Used*
(a) Kentucky Coal	Tons	_____	x	_____	=	_____	_____
(b) Non-Kentucky Coal	Tons	_____	x	_____	=	_____	_____
(c) Natural Gas	MCF	_____	x	_____	=	_____	_____
(d) Crude Oil	Bbls.	_____	x	_____	=	_____	_____
(e) Fuel Oil	Gals.	_____	x	_____	=	_____	_____
(f) Other: _____	_____	_____	x	_____	=	_____	_____
(g) TOTAL of (c), (d), (e), and (f)						_____	_____
(h) TOTAL of (a), (b), (c), (d), (e), and (f)						_____	100%

*Compute percentages by dividing amounts in Column C, lines (a) through (f), by amount in Column C, line (h).

2 Tax year fuel input.

Fuel	Unit	A Number of Units Used		B Million BTUs/Unit (Avg.)		C Million BTUs/Fuel	D Percent of BTUs Used*
(a) Kentucky Coal	Tons	_____	x	_____	=	_____	_____
(b) Non-Kentucky Coal	Tons	_____	x	_____	=	_____	_____
(c) Natural Gas	MCF	_____	x	_____	=	_____	_____
(d) Crude Oil	Bbls.	_____	x	_____	=	_____	_____
(e) Fuel Oil	Gals.	_____	x	_____	=	_____	_____
(f) Other: _____	_____	_____	x	_____	=	_____	_____
(g) TOTAL of (c), (d), (e), and (f)						_____	_____
(h) TOTAL of (a), (b), (c), (d), (e), and (f)						_____	100%

*Compute percentages by dividing amounts in Column C, lines (a) through (f), by amount in Column C, line (h).

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PART III—COMPUTATION OF COAL SUBSTITUTION (Continued) *(To be completed by a corporation that checked box D on page 1.)*

3 Enter percentage of BTUs produced by sources other than coal in base year (from line 1(g), Column D)...	3	
4 Enter percentage of BTUs produced by sources other than coal in tax year (from line 2(g), Column D)...	4	
5 Subtract line 4 from line 3. **If there was no decrease in percentage of BTUs from sources other than coal from base year to tax year, then the corporation is not entitled to the coal credit**	5	
6 Enter percentage of BTUs produced by Kentucky coal in tax year (from line 2(a), Column D)............	6	
7 Enter percentage of BTUs produced by Kentucky coal in the base year (from line 1(a), Column D)...	7	
8 Subtract line 7 from line 6. **If there was no increase in percentage of BTUs from Kentucky coal from base year to tax year, then the corporation is not entitled to the coal credit**	8	
9 Enter million BTUs input of Kentucky coal (from line 2(a), Column C)................................	9	
10 Compare percentages on lines 5 and 8, and enter the lesser percentage...........................	10	
11 Multiply amount on line 9 by percentage on line 10. Enter result here.................................	11	
12 Enter average million BTUs/unit (from line 2(a), Column B)	12	
13 Divide line 11 by line 12. Enter result here	13	
14 Enter average purchase price per ton (total from Part I, Column D, divided by total from Part I, Column A)	14	00
15 Multiply line 13 by line 14. Enter result here..	15	00
16 Credit rate is 4.5%..	16	x **.045**
17 Tax Credit: Multiply amount on line 15 by line 16..	17	00
18 **LLET Credit**—Take appropriate amount from line 17 above. Enter here and on Schedule TCS, Part II, Column E	18	00
19 **Corporation Income Tax Credit**—Take appropriate amount from line 17 above. Enter here and on Schedule TCS, Part II, Column F	19	00

*(**NOTE:** This credit cannot reduce the LLET below the $175 minimum.)*