



➤ **Attach to Form 720S, 765, or 765-GP.**

Name of Pass-through Entity	Federal Identification Number ____ - _____	Kentucky Corporation/LLET Account Number _____
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6 / 8 / 18

PART I—ADDITIONS TO FEDERAL ORDINARY INCOME

1 Loss from Form 4797 found on federal Form 1120S, line 4 or federal Form 1065, line 6	1		00
2 Gain from Kentucky Form 4797, line 17	2		00
3 Federal allowable depletion from Form 1120S, line 15 or Form 1065, line 17	3		00
4 Enter additions to federal taxable income from Kentucky Schedule(s) K-1	4		00
5 Internal Revenue Code amendments (see instructions)	5		00
6 Other additions (attach explanation)	6		00
7 Total of lines 1 through 6 (enter on Form 720S, Part III, line 5; or Form 765 or 765-GP, Part I, line 5)	7		00

PART II—SUBTRACTIONS FROM FEDERAL ORDINARY INCOME

1 Gain from Form 4797 found on federal Form 1120S, line 4 or federal Form 1065, line 6	1		00
2 Loss from Kentucky Form 4797, line 17	2		00
3 Kentucky allowable depletion	3		00
4 Enter subtractions from federal taxable income from Kentucky Schedule(s) K-1	4		00
5 Internal Revenue Code amendments (see instructions)	5		00
6 Other subtractions (attach explanation)	6		00
7 Total of lines 1 through 6 (enter on Form 720S, Part III, line 9; or Form 765 or 765-GP, Part I, line 9)	7		00

Purpose of Schedule—Schedule O-PTE is used by an entity filing Kentucky Form 720S, 765, or 765-GP to show other additions to and other subtractions from federal ordinary income.

Part I—ADDITIONS TO FEDERAL ORDINARY INCOME

Line 1—Enter the federal loss from federal **Form 1120S, Line 4** or federal **Form 1065, Line 6**. If the loss from Form 4797, Line 17 is the same for both federal and Kentucky, do not make an entry on this line.

Line 2—Enter the Kentucky gain from Kentucky Form 4797, Line 17. If the gain from Form 4797, Line 17 is the same for both federal and Kentucky, do not make an entry on this line.

Line 3—Enter federal allowable depletion from federal **Form 1120S, Line 15** or federal **Form 1065, Line 17**. Do not deduct depletion for oil and gas properties as each partner, member, or shareholder figures depletion on oil and gas properties. If the depletion is the same for both federal and Kentucky, do not make an entry on this line.

Line 4—Enter the difference of the Kentucky distributive share income amounts from Kentucky Schedule(s) K-1 in excess of federal distributive share amounts from federal Schedule(s) K-1.

Line 5—Kentucky’s Internal Revenue Code (IRC) reference date is December 31, 2017, including the provisions contained in Pub. L. No. 115-97, exclusive of any amendments made subsequent to that date, other than amendments that extend provisions in effect on December 31, 2017, that would otherwise terminate, for purposes of computing corporation and individual income tax, except for depreciation differences per KRS 141.0101.

Enter the addition to federal taxable income equal to the excess of Kentucky taxable income over federal taxable income resulting from amendments to the IRC (excluding amendments affecting depreciation and the IRC §179 deduction) subsequent to the applicable IRC date. Attach a schedule to the tax return showing the detail of the addition, including the related IRC section(s).

Line 6—Enter any other additions to federal income not reported on Lines 1 through 5, and attach an explanation to the tax return.

Line 7—Enter the total of Lines 1 through 6 (enter on Form 720S, Part III, Line 5; or Form 765 or 765-GP, Part I, Line 5).

Part II—SUBTRACTIONS FROM FEDERAL ORDINARY INCOME

Line 1—Enter the federal gain from federal **Form 1120S, Line 4 or federal Form 1065, Line 6**. If the gain from Form 4797, Line 17 is the same for both federal and Kentucky, do not make an entry on this line.

Line 2—Enter the Kentucky loss from Kentucky Form 4797, Line 17. If the loss from Form 4797, Line 17 is the same for both federal and Kentucky, do not make an entry on this line.

Line 3—Enter Kentucky allowable depletion using Kentucky taxable income and deductions. If the depletion is the same for both federal and Kentucky, do not make an entry on this line. **To determine the allowable depletion deduction for Kentucky purposes, the percentage limitations per the IRC must be applied using Kentucky taxable income and deductions.**

Line 4—Enter the difference of the federal distributive share income amounts from federal Schedule(s) K-1 in excess of Kentucky distributive share amounts from Kentucky Schedule(s) K-1.

Line 5— Kentucky’s IRC reference date is December 31, 2017, including the provisions contained in Pub. L. No. 115-97, exclusive of any amendments made subsequent to that date, other than amendments that extend provisions in effect on December 31, 2017, that would otherwise terminate, for purposes of computing corporation and individual income tax, except for depreciation differences per KRS 141.0101.

Enter the subtraction from federal taxable income equal to the excess of federal taxable income over Kentucky taxable income resulting from amendments to the IRC (excluding amendments affecting depreciation and the IRC §179 deduction) subsequent to the applicable IRC date. Attach a schedule to the tax return showing the detail of the subtraction, including the related IRC section(s).

Line 6—Enter any other subtractions from federal income not reported on Lines 1 through 5, and attach an explanation to the tax return.

Line 7—Enter the total of Lines 1 through 6 (enter on Form 720S, Part III, Line 9; or Form 765 or 765-GP, Part I, Line 9).