

The following notes may be helpful for your 2018 development efforts.

- Form 740 has been reduced to a 2-page form and Form 740-NP has been reduced to a 3-page form.
- Created a new Schedule ITC, Kentucky Individual Tax Credit Schedule. This Schedule contains business incentive and other tax credits, personal tax credits (only if 65 or over, blind, or in KY National Guard) and dependents that qualify for Family Size Tax credit.
- Rearranged Form 740 & 740-NP on page 2 of each form to list the refund amount last. This is for ease of applying penalties and interest.
- Form 740-NP page 3 is pending the release of the federal schedules; however, deductions that are not applicable to Kentucky have been removed. Deductions such as: health insurance premiums, long term care premiums, and domestic production activities deduction.
- Schedule M was updated to remove the following lines:
 - Additions: self-employed health insurance, domestic production activities deduction
 - Subtractions: long-term care premiums, health insurance premiums and domestic production activities deduction.
- Schedule P was updated to reduce pension exclusion to \$31,110.
- Schedule A, Form 740 and Form 740-NP, was updated to include only home mortgage, contributions and other miscellaneous deductions. All other deductions were eliminated.
- Schedule KNOL was updated to remove domestic production activities deduction.
- We intend to have all draft forms posted no later than July 31, 2018. Instruction packages will follow later this summer. At this time all federal references have been highlighted in red as those references are subject to change pending the release of the federal forms.
- Schedule ME has been discontinued.
- Form 740-EZ has been discontinued.