

**CITY OF DAWSON SPRINGS, KY  
NET PROFITS LICENSE FEE RETURN**

\_\_\_\_\_  
BUSINESS NAME

**Make Check Payable & Mail to:**  
City of Dawson Springs  
P. O. Box 345  
Dawson Springs, KY 42408

\_\_\_\_\_  
ADDRESS

\_\_\_\_\_  
CITY, STATE, ZIP

**\*Enclose one copy of Federal Return & Applicable Schedules (See Instructions)**

1. Net Profits Subject to License Fee per attached Federal Return \_\_\_\_\_
  2. Dawson Springs License Fee @ 1 ½ % to \$50,000; 1% of \$50,000 thru \$500,000, and ½ % over \$500,000 with minimum of \$50.00. \_\_\_\_\_
  3. If Allocation (Line D) is used enter Average Percentage \_\_\_\_\_%
  4. Net Profits subject to License Fee (Line 2 x Line 3) \_\_\_\_\_
  5. Credit – Minimum License Fee \_\_\_\_\_
  6. Balance (Line 2 less Line 3) \_\_\_\_\_
  7. Penalty 5% per month or portion of month, not to exceed 25%; \$25.00 minimum penalty. \_\_\_\_\_  
Penalty waived per approved City – extension date of \_\_\_\_\_
  8. Interest 12% per annum if delinquent \_\_\_\_\_
  9. TOTAL Due (Line 6, 7 and 8) \_\_\_\_\_
- PAY THIS AMOUNT** \$ \_\_\_\_\_

10. Circle Appropriate: Corporation, Partnership, Individual Owner, Fiduciary \_\_\_\_\_
11. Social Security or Federal ID Number \_\_\_\_\_
12. Total number of employees during previous year. \_\_\_\_\_
13. Was Dawson Springs Earnings Fee Withheld from all employees and remitted quarterly? \_\_\_\_\_

Allocation Factors	Column A DawsonSprings	Column B Total	Column C Pct
A. Gross Income (If not applicable write N/A in Column C)			%
B. Total Wages & Salaries (if not applicable write N/A Col C)			%
C. Total Percents (Line A plus Line B)			%
D. Average Percentage (Line C divided by number of applicable percents) Enter on Line 3			%

I hereby certify that the statements made herein and **attached copy of Federal Income Tax Return and all supporting statements and schedules are true, correct and complete to the best of my knowledge.**

\_\_\_\_\_  
Signature of License Fee Payer

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Individual Preparing Return

\_\_\_\_\_  
Date

**Due by April 15 of each year  
Or by 15<sup>th</sup> day of fourth month following close of fiscal year**

## City of Dawson Springs, Kentucky Net Profit License Fee Return Instructions

The City of Dawson Springs Net Profit License Fee is levied at the annual rate of 1.5 percent up to \$50,000, 1 percent of \$50,000 through \$500,000 and ½ percent over \$500,000 of the net profits of all occupations, trades, professions or other businesses engaged in said activities in the City. Specifically included within the foregoing is rental income received from the leasing or rental of real and/or personal property located within the city limits of Dawson Springs, Kentucky subject to the following exemption: the license fee shall not apply to net income received from the leasing or rental of less than four (4) residential rental units per year. The fee is levied against a partnership, or association as a business entity; therefore, the individual partners or members are not required to file a return on their distributive share of the profits. The Net Profit License Fee Return to be filed by all businesses having some receipts and/or payroll within the City Limits of Dawson Springs must be based on the net income as reported to the state or federal government. **The Net Profit License Fee Return must be filed before April 15, if licensee is on a calendar year, or 135 days after the end of the fiscal year, sale, liquidation or transfer.** Checks or money orders should be made payable to City of Dawson Springs.

### Basis of License Fee

A copy of the complete applicable tax form MUST accompany the Net Profit License Fee Return.

Individual Proprietorship	Schedule(s) C, E – 1040 Federal Tax Form
Fiduciary	Federal Tax Form 1041, Schedule E (if applicable)
Partnership	Federal Tax Form 1065, Form 8825 (if applicable)
Corporation	Federal Tax Form 1120/1120S, Form 8825 (if applicable)

### Instructions for All Licenses

- Line 1 Enter Net Income as shown by the Return.
- Line 2 Enter profits subject to Dawson Springs License Fee
- Line 3 Enter average percentage as determined in Allocation section.
- Line 4 Enter profits subject to Dawson Springs License Fee – Line 2 x Line 3.
- Line 5 Deduct credits of minimum license fee
- Line 6 Balance (Line 2 less Line 3)
- Line 7 Enter Interest.
- Line 8 Enter Penalty.
- Line 9 Enter amount due, Line 4 plus Line 5, plus Line 6. (Pay this amount to the City of Dawson Springs)

- If an extension is necessary, a written request and copy of Federal application for extension must be submitted to the City of Dawson Springs before the due date of the Net Profits License Fee Return. If extension is granted, enter date on Line 5. Interest remains due from original due date (See Line 5).

Allocation section must be completed by taxpayers with business receipts and/or payroll, both within and out of city limits of Dawson Springs. Completion of the schedule allocates to Dawson Springs the proportionate part of the taxpayer's total business activity attributable to Dawson Springs. **However, if one of the two factors (business receipts or payroll factor) is missing the remaining factor is the Average or Business Allocation Percentage (Line D of Allocation section).**

Any questions should be directed to the City Clerk's Office, P. O. Box 345, Dawson Springs, KY 42408. Phone 270-797-2781 or email [dridley@dawsonspringsky.com](mailto:dridley@dawsonspringsky.com)