



# LOUISVILLE METRO REVENUE COMMISSION

# FORM I-2

## ANNUAL FEDERAL EMPLOYEE OCCUPATIONAL LICENSE TAX RETURN

CHECK IF CHANGE IN ADDRESS IS BELOW

Name \_\_\_\_\_  
 Address \_\_\_\_\_  
 City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
 Phone \_\_\_\_\_ Ext \_\_\_\_\_

ACCOUNT NO  TAX YEAR ENDING  SSN

**IF YOU RECEIVED SERVICE PAY FROM MILITARY DUTY AND YOU ARE NOT A KENTUCKY RESIDENT, YOU ARE ONLY REQUIRED TO COMPLETE THE CLAIM FOR EXEMPTION PORTION AND SIGN THE CERTIFICATION STATEMENT ON THE BACK OF THIS FORM.**

- 1) ENTER GROSS SALARY, WAGES, AND OTHER COMPENSATION FROM FEDERAL FORM W-2
- 2) LESS SALARY, WAGES, AND OTHER COMPENSATION EARNED OUTSIDE OF LOUISVILLE METRO, KY [Line E from Computation Sheet]
- 3) SALARY, WAGES, AND OTHER COMPENSATION SUBJECT TO OCCUPATIONAL TAX (Line 1 minus Line 2)

OCCUPATIONAL TAX CALCULATIONS		
Amount of Line 3 subject to each tax. (See Instructions)		
LOUISVILLE METRO LINE 3 X .0125	MASS TRANSIT LINE 3 X .0020	SCHOOL BOARD (Louisville Metro Residents Only) LINE 3 X .0075
4) <b>A</b> <input type="text"/>	<b>B</b> <input type="text"/>	<b>C</b> <input type="text"/>

- 5) TOTAL TAX DUE
  - A. (Residents of Louisville Metro, KY) (Line 4A + Line 4B + Line 4C)
  - B. (Non-residents of Louisville Metro, KY) (Line 4A + Line 4B)
- 6) AMOUNT WITHHELD BY EMPLOYER OR PREPAID
- 7) BALANCE DUE
- 8) PENALTY & INTEREST (See Instructions)
- 9) TOTAL AMOUNT DUE
- 10) OVERPAYMENT TO BE REFUNDED

**A COPY OF FORM W-2 MUST BE SUBMITTED WITH THIS FORM BY APRIL 15<sup>TH</sup> OF EACH YEAR.**

**COMPUTATION SHEET FOR INCOME EARNED OUTSIDE OF LOUISVILLE METRO, KY**

Applies only if at least 5% of time worked was spent outside Louisville Metro, Kentucky

Please use the formula provided below in order to compute any deduction for wages earned outside of Louisville Metro, Kentucky. Amount computed on Line E will be listed on Line 2 on front of this Form.

- A \_\_\_\_\_ Number of days worked outside Louisville Metro, Kentucky
- B \_\_\_\_\_ Total number of days worked (excluding holidays, vacation and sick days)
- C \_\_\_\_\_ Percentage of days worked outside Louisville Metro, Kentucky **(Divide A by B)**
- D \_\_\_\_\_ Total gross earnings (including deferred compensation and non-cash fringe benefits)
- E \_\_\_\_\_ Income earned outside Louisville Metro, Kentucky **(Multiply D by C)**

**NOTE:** If you had earnings outside of Louisville Metro, Kentucky, you must retain the documentation to support your claim for five (5) years as it is subject to review upon request.

**NON-RESIDENT CERTIFICATION STATEMENT**

I hereby certify that I have been a resident of \_\_\_\_\_  
(Street Address, City, County, State)

since \_\_\_\_\_ and that this location is my permanent home and residence.

**NON-RESIDENT MILITARY PERSONNEL CLAIMING EXEMPTION OF SERVICE PAY**

I hereby certify that I am a non-resident, military personnel claiming exemption of my service pay from state and local taxation under the Soldiers and Sailors Civil Relief Act. I have been a resident of

\_\_\_\_\_ since \_\_\_\_\_ and that this location is my permanent  
(Street Address, City, County, State)

home and residence.

**CERTIFICATION STATEMENT**

I hereby certify that the information and statements contained herein and any schedules or exhibits attached are true and correct.

\_\_\_\_\_  
Signature

Date \_\_\_\_\_

\_\_\_\_\_  
Print Name

**BE SURE TO SIGN AND DATE YOUR RETURN**

## INSTRUCTIONS FOR PREPARING FORM I-2

This form is to be used only by Federal Employees. A copy of the W-2 **must** be included with the annual filing. If you worked for more than one Federal Agency, separate I-2 Forms should be completed for each Agency and a copy of Form W-2 **must** be attached for each I-2 Form submitted.

Line 1. Enter the total Gross Wages (salary, wages, and other compensation for the year). This should be the greater of Box 5 (Medicare Wages) or Box 18 (Local Wages) as reported on Form W-2. Generally, this amount is total compensation before deductions. Deferred compensation and Non-Cash Fringe Benefits must be included in the gross figure entered on Line 1.

Line 2. Enter the amount of salary, wages, and other compensation for working time spent outside the physical limits of Louisville Metro (Louisville Metro includes the area within the boundaries of Jefferson County, Kentucky.) Complete the "Computation Sheet for Income Earned Outside of Louisville Metro, KY" on the back of Form I-2 and enter the figure from Line E of the computation sheet on Line 2.

Line 3. Subtract Line 2 from Line 1 and enter the resulting amount.

Line 4. In the appropriate blocks, enter the amount of Line 3 subject to each tax. In Column A, enter the amount of Line 3 multiplied by the Louisville Metro, KY, tax rate of 1.25% (.0125). In Column B, enter the amount of Line 3 multiplied by the Mass Transit tax rate of .2% (.0020). In Column C (residents only), enter the amount of Line 3 multiplied by the School Board tax rate of .75% (.0075). Individuals who reside outside of the boundaries of Jefferson County, Kentucky, are exempt from the School Board Tax.

Lines 5(a) and 5(b). Add Columns A, B, and C of Line 4 if you reside within the boundaries of Jefferson County, Kentucky. Add Columns A & B of Line 4 if you are a non-resident. **The Non-Resident Certification Statement must be completed if you are claiming a refund as a non-resident of Louisville Metro, Kentucky.**

Line 6. Enter on this line the total amount of occupational taxes withheld by your federal employer from your earnings. Do not include amounts withheld from your earnings by any other employer.

Line 7. Subtract Line 6 from Line 5(a) or 5(b) and enter the resulting amount.

Line 8. Enter the amount of penalty and interest if filed and/or paid after the due date. See the information given below under the caption "Penalty and Interest".

Line 9. Add Line 7 and Line 8. Enter the resulting amount.

Line 10. If Line 6 is greater than Line 5(a) or 5(b), enter the amount to be refunded.

**Who Must File:** Service payments to non-resident, military personnel are exempt from state and local taxation under the Soldiers and Sailors Civil Relief Act. Members of the Kentucky National Guard are exempt from all local occupational taxes as to income received for active duty training, unit training assemblies, and annual field training. All other federal employees whose earnings within Louisville Metro, Kentucky, were from salaries, commission, or other compensation received from a federal agency, and on which occupational license taxes were not withheld or not fully withheld [deducted by the employer(s)], must file an annual return on Form I-2. If a federal employee conducted a business, or was self-employed at any time during the calendar year covered by his or her Form I-2 return, he or she must file a separate (additional) net profit return on Form OL-3. If the taxpayer is deceased, the return(s) must be filed by his or her legal representative.

**Special Instructions for Military Personnel Only:** Service payments to non-resident military personnel are exempt from state and local taxation under the Soldiers and Sailors Civil Relief Act. If your earnings were for military duty and you are not a resident of the State of Kentucky, please complete the exemption portion for Military Personnel and the certification statement of this form.

**Period Covered:** Form I-2 is to be filed based upon a calendar year.

**Where to File:** All returns should be mailed to the **Louisville Metro Revenue Commission, P.O. Box 35410, Louisville, Kentucky 40232-5410**, or delivered to **617 West Jefferson Street, Louisville, Kentucky 40202**.

**Payment of Occupational Taxes:** The occupational taxes must be paid in full at the time of filing to avoid penalties and interest. The deadline is **April 15th**. Do not send cash through the mail. Please visit our website, [www.metrorevenue.org](http://www.metrorevenue.org), to pay online or make your check payable to the Louisville Metro Revenue Commission.

**Penalty and Interest:** There is a penalty of five percent (5%) per month, or a fraction of a month, for failure to file a tax return and a penalty of five percent (5%) per month, or a fraction of a month, to a maximum of twenty-five percent (25%), of the total license tax liability for failure to pay the occupational tax by the regular or extended due date. Interest is computed at twelve percent (12%) per annum from the original due date until the date of payment.

**Pursuant to KRS 67.790, there is a minimum \$25.00 penalty for failure to file and/or pay any return or report by the due date.**