



**THIS FORM MUST BE SUBMITTED WITH THE RD-108 FORM EVEN IF THERE IS A LOSS**

CITY OF KANSAS CITY, MISSOURI  
REVENUE DIVISION

Period From \_\_\_\_\_ Period To \_\_\_\_\_

BUSINESS NAME \_\_\_\_\_ FEIN/SSN \_\_\_\_\_

**(Complete this Schedule and attach a copy of Federal Tax Return or K-1 and file with Profit Return RD-108)  
(Attach a reconciliation of federal taxable income to city taxable income)**

**SCHEDULE C--PROFIT (OR LOSS) FROM BUSINESS OR PROFESSION  
SCHEDULE Y- Must Be Completed Even if There is a Loss**

1. Gross receipts or gross sales, fees, or commissions less returns and allowances ..... \$ \_\_\_\_\_
  2. Cost of goods sold:
    - A. Inventory at beginning of year ..... \$ \_\_\_\_\_
    - B. Purchases ..... \_\_\_\_\_
    - C. Wages ..... \_\_\_\_\_
    - D. Other costs (attach worksheet) ..... \_\_\_\_\_
    - E. Total (lines 2A through 2D) ..... \_\_\_\_\_
    - F. Less inventory at end of year ..... \_\_\_\_\_
    - G. Net cost of goods sold (line 2E less line 2F) ..... \$ \_\_\_\_\_
  3. Gross profit (line 1 less line 2G) ..... \$ \_\_\_\_\_
  4. Other business income (specify) ..... \$ \_\_\_\_\_
  5. Total business income before deductions (line 3 plus line 4) ..... \$ \_\_\_\_\_
  6. Salaries ..... \$ \_\_\_\_\_
  7. Rent ..... \$ \_\_\_\_\_
  8. Interest ..... \$ \_\_\_\_\_
  9. Taxes (attach schedule) ..... \$ \_\_\_\_\_
  10. Bad debts ..... \$ \_\_\_\_\_
  11. Depreciation ..... \$ \_\_\_\_\_
  12. Other (attach schedule) ..... \$ \_\_\_\_\_
- (Federal, state and local income taxes are NOT deductible.)
13. Total business deductions (line 6 through line 12) ..... \$ \_\_\_\_\_
  14. Net profit or loss (line 5 less line 13), enter on line 4, form RD-108 or line 1, Schedule Y ..... \$ \_\_\_\_\_

**SCHEDULE Y--BUSINESS ALLOCATION FORMULA  
Must Be Completed Even if There is a Loss**

Corporations and nonresident businesses with no established place(s) of business other than Kansas City, MO, will use 100% of property and payroll factors and appropriate percentage of gross receipts factor.

1. Total net profit (from Schedule C, line 14) ..... \$ \_\_\_\_\_
  2. Original cost of real and tangible personal property located ..... \$ \_\_\_\_\_
  3. Total wages, salaries, commissions, and other compensation of all employees ..... \$ \_\_\_\_\_
  4. Gross receipts from sales, work or services performed ..... \$ \_\_\_\_\_
  5. Total percentage (line 2C through line 4C) ..... % \_\_\_\_\_
  6. Allocation percentage (divide total percentage from line 5 by the number of percentages used) ..... % \_\_\_\_\_
  7. Taxable net profit (line 1 multiplied by percentage from line 6, enter amount on line 4, form RD-108) ..... \$ \_\_\_\_\_
- (Partnerships report as shown in Schedule Z.)

**SCHEDULE Z--DISTRIBUTIVE SHARES OF K-1 SOURCE INCOME FOR PARTNERSHIPS,  
LIMITED LIABILITY COMPANIES, AND FIDUCIARIES**

Name and address of each taxpayer (attach additional sheets if necessary)	Distributive Percentage	Social Security or Federal ID Number	Resident (Enter Yes or No)	Taxable Distributive Shares Amount
1. _____				\$ _____
2. _____				\$ _____
3. _____				\$ _____
4. _____				\$ _____
	100%			\$ _____

Total, Enter on Line 4, form RD-108.....

Payment--A partnership, LLC, or fiduciary may remit, with this return, at the rate of 1% on the total taxable distributive shares in the rightmost column of Schedule Z. If income is passed-through enter -0- on line 4, form RD-108 and all recipient information must be included in Schedule Z.

**INSTRUCTIONS FOR FILING PROFITS RETURN--EARNINGS TAX (RD-108)****General Instructions****1. Who must file:**

- a. Every **resident** individual who derives income from an unincorporated business, association, profession, or other business activity.
- b. Every **nonresident** individual who derives income from an unincorporated business, association, profession, or other activity doing business **within the city**.
- c. Every **corporation and partnership** conducting business within the city or rendering or performing services within the city.
- d. K-1 source income for partnerships and LLCs must file a return with payment of tax due, and the partnership or LLC must file an information return or a partnership or LLC may file a return with payment of tax due, and must attach a summary of all recipient information and copies of K-1s.

**2. Exceptions:**

- a. File Form RD-109, Wage Earner Return, if entire earnings are from salaries, wages, commissions, or other taxable compensation from which **earnings tax has not been withheld**.
- b. Form RD-108, Profits Return, cannot be substituted for RD-109, Wage Earner Return.

**3. When and where to file:**

- a. This return is to be filed on or before April 15 of each year unless your annual accounting period is on a fiscal year basis in which case it is to be filed 105 days from the end of your fiscal year. In the event a corporation or partnership ceases to engage in any business activity in the city, the income from which is taxable in whole or in part, a final return shall be filed within 105 days from the date such business activity is terminated. Mail completed returns to the Finance Department, Revenue Division, and **P.O. Box 843322, Kansas City, MO 64184-3322**. **To avoid delays in processing use forms approved by the Revenue Division of the City of Kansas City, Missouri.**
- b. **Extension--**An extension of time to file the Kansas City, MO Profits Return (RD-108) may be obtained by filing Form RD-111, **Application for Automatic Extension (or state or federal extension forms)**, with **PAYMENT of the estimated tax due, on or before the original due date. AN EXTENSION IS GRANTED FOR A PERIOD OF SIX MONTHS.**

**Complete form RD-108A before completing form RD-108.****Instructions for RD-108**

Taxable Period: If this return is made for a period other than the calendar year, insert the beginning and ending dates of the period.

- Line 1. Indicate type of business.
- Line 2. Check if nonresident business (not located in Kansas City, Missouri).
- Line 3. Enter gross receipts amount shown on form RD-108A Line 1 of Schedule C (non-allocating) or line 4B of Schedule Y (if allocating).
- Line 4. Enter total taxable net profit from business or profession shown on RD-108A, Line 14 (Schedule C) or Line 7 (Schedule Y). **ATTACH SUPPORTING SCHEDULES. IF A LOSS, ENTER " 0." IF PARTNERSHIP IS PASSING TAXABILITY THROUGH TO PARTNERS ENTER "0."**
- Line 5. Enter any other taxable earnings or profits and **ATTACH SCHEDULE** showing computation of this amount, including partnership income. **IF LOSS, ENTER "0."**
- Line 6. Total taxable earnings (line 4 plus line 5).
- Line 7. Multiply Line 6 by .01 (1%) and enter on this line.
- Line 8. Enter estimated profits tax paid with extension plus any profits tax credits carried forward from prior periods. The balance of the tax is due with the filing of the return together with interest at 12% per annum from the date the return was originally due. If the return is not filed and the balance of the tax due is NOT paid within the period as extended, penalty of 5% per month up to but not exceeding 25% shall be computed in addition to the interest charges. **Extension of payment must be 90% of the tax due to avoid penalty and interest**
- Line 9. **Only residents** are allowed a credit for earnings tax or income tax paid to another city. This credit is to be applied only to the extent of the tax imposed by Kansas City (1% rate) upon amounts earned in other cities where the tax is paid. The credit may not exceed the amount of tax due on line 7. **ATTACH DOCUMENTATION OF TAX PAYMENT.**
- Line 10. Line 7 minus the sum of lines 8 and 9.
- Line 11. If return is delinquent, compute **penalty on the amount in line 10 at 5% per month** or portion thereof from due date to date of payment (not to exceed 25%) and enter on this line.
- Line 12. If return is delinquent, compute **interest on the amount in line 10 at .01 (1%) per month** from due date to date of payment and enter on this line.
- Line 13. Total amount due (sum of lines 10, 11 and 12).
- Line 14. If an overpayment has been made (sum of lines 8 and 9 is greater than line 7), enter difference on line 14 to receive **CREDIT**;  
**OR**
- Line 15. Enter the difference on line 15 to receive a **REFUND**. Overpayments of less than \$1.00 will not be refunded.
- Line 16. Enter amount paid.
- Line 17. "X" if this is an amended return.
- Line 18. If no longer in business, enter date business closed.

**BE SURE TO SIGN YOUR RETURN. PLEASE DO NOT USE STAPLES**Visit our website at [www.kcmo.org/revenue](http://www.kcmo.org/revenue) for more forms and instructions

CITY OF KANSAS CITY, MISSOURI  
FINANCE DEPARTMENT/REVENUE DIVISION**INSTRUCTIONS FOR COMPLETING SCHEDULES C, Y, Z****THIS FORM MUST BE SUBMITTED WITH THE RD-108 FORM EVEN IF THERE IS A LOSS****Schedule C--Profit (or Loss) from Business or Profession**

From total net profits, deduct profits exempted, excluded, or not earned. The remainder shall be deemed "Net Profits Earned."  
Exemptions and exclusions are cited in 92.220 RSMo and section 68-385 of the Municipal Ordinances of the City of Kansas City, MO.

Net profits shall be determined without deduction of federal, state or local income tax.

Each corporation must file a return. **Per regulation E-148.D, consolidated returns will not be accepted.** A net loss may not be carried forward or back to another year. A net loss may not be deducted against salaries, wages or other compensation earned.

Proprietorships, partnerships, and corporations should submit a Balance Sheet and a reconciliation of federal taxable income to city taxable income.

**Schedule Y--Business Allocation Formula**

The business allocation formula is to be used only by:

- (1) Corporations;
- (2) Nonresident individuals who derive profits from any unincorporated business, partnership, or association provided that the business activity consists of conducting business or performing services **both** within and outside the city.

In determining the allocation percentage (line 6), add the percentage determined and shown on lines 2, 3, and 4 or the percentages applicable to your business and divide the total by the number of percentages used. A percentage shall not be excluded from the computation merely because the factor is found to be allocable entirely outside the city. A factor and its resulting "0" percentage is excludable only when it **does not exist anywhere**.

**Schedule Z--K-1 Source Income For Partnerships, Limited Liability Companies, or Fiduciaries**

Each pass through entity listed above must file a separate form RD-108. Schedules C & Z must be completed, and whenever one or more of the K-1 recipients are nonresidents, Schedule Y must be completed. The K-1 recipients will determine their portion of the net profits as follows:

**Resident K-1 Recipients**--Resident K-1 recipients will determine the taxable share of the pass through entity's net profits as shown on line 14, Schedule C, by multiplying line 14, Schedule C by the K-1 recipient's distributive percentage as shown in (column 2) Schedule Z and entering the computed taxable distributive share in (column 4) Schedule Z.

**Nonresident K-1 Recipients**--Nonresident K-1 recipients will determine the taxable share of the pass through entity's net profits as shown on line 7, Schedule Y, by multiplying line 7, Schedule Y by the K-1 recipient's distributive percentage as shown in (column 2) Schedule Z and entering the computed taxable distributive share in (column 4) Schedule Z.

**Payment**--Any pass through entity may remit payment with the return on the total taxable distributive shares as shown in (column 4) Schedule Z, and must attach a summary of all recipient information or copies of K-1s.

**Mail completed RD-108A with your completed Profits Return RD-108 on or before the due date.**

**Revenue Division  
PO Box 843322  
Kansas City, Missouri 64184-3322**

Visit our website at [www.kcmo.org/revenue](http://www.kcmo.org/revenue) for more forms and instructions