City of Madisonville, Kentucky Restaurant Tax Return Instructions

The City of Madisonville Restaurant Tax is levied at a rate of 3 percent of the retail sales of all restaurants doing business in the city limits. Entities required to collect the restaurant tax include any fixed or mobile commercial establishments that engage in the preparation and serving of ready-to-eat foods in portions to the consumer. The monthly Restaurant Tax Return must be filed before the 20th day of each month for the proceeding month's sales. Checks or money orders should be made payable to the Director of Finance, City of Madisonville.

Businesses that collect and remit the restaurant tax are entitled to receive a credit equal to the total amount reported and paid into the City against their occupational license fee due. The non-refundable credit is only available for the tax year in which the occupational license fee is due and cannot be credited or offset against any subsequent year.

INSTRUCTIONS

- 1. Enter the amount from Line 22 of the Kentucky Sales and Use Tax Form.
- 2. Enter total receipts from non-food and/or non-beverage items included in Line 1
- 3. Enter total receipts of the alcohol sales which is the sum of Lines 1 & 2 on the ABC Return
- 4. Line 1 minus Line 2 and Line 3
- 5. Divide Line 4 by 1.03
- 6. Multiply Line 5 by .03
- 7. For each 30 days or fraction thereof that the return or payment is late, multiply line 6 by 5%. The maximum penalty due is 25% of line 6.
- 8. For each 30 days or fraction thereof that the return or payment is late, multiply line 6 by 1.5%
- 9. Enter the total of Line 5, Line 6 and Line 7

NOTE: PLEASE NOTE THAT THERE ARE REVENUES THAT ARE SUBJECT TO RESTAURANT TAX AND NOT SUBJECT TO KENTUCKY SALES TAX AND NEED TO BE INCLUDED IN YOUR TAXABLE SALES. Ex – all bakery items

Make check payable to: Director of Finance, City of Madisonville

PO Box 710

Madisonville, KY 42431

Any questions should be directed to Laura Faulk, PO Box 710, Madisonville, KY 42431. Phone (270)824-2100

Restaurant Tax Monthly Return		
Make Check Payable & Mail to:		
824-2111		
hereby certify that the information and tatements contained herein and any schedules		
		or exhibits attached are true and correct.
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