

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF KENTUCKY
LEXINGTON DIVISION

In re	:	Case No. 25-50863
Lexington Blue, Inc.	:	Chapter 11
Debtor	:	Small business case
	:	
	:	Hon. Gregory R. Schaaf
	:	United States Bankruptcy Judge

DEBTOR'S DECLARATION REGARDING SMALL BUSINESS DOCUMENTS
(11 U.S.C. 1116(1))

Comes now Brad Pagel, corporate representative for Lexington Blue, Inc., the Debtor in this case, and pursuant to 11 U.S.C. 1116(1) (A) and (B) declares under penalty of perjury that:

1. Attached hereto as Exhibit 1 is a true and accurate copy of the 2023 Federal Income Tax Return for Lexington Blue Inc.
2. Debtor does not have sufficient information to prepare a recent statement of operations, a balance sheet, or a cash flow statement.

Executed under penalty of perjury


Brad Pagel (Jun 18, 2025 15:31 CDT)

Brad Pagel
LEXINGTON BLUE, INC.
Corporate Representative
DATED: Jun 18, 2025

Respectfully,

/s/ J. Christian Dennerly
J. Christian A. Dennerly (KBA No. 95878)
Dennerly, PLLC
PO Box 121241
Covington, KY 41012
Tel: (888) 833-2826
Fax: (859) 386-2687
info@bk-lexingtonblue.com
Proposed Attorney for Debtor and Debtor in Possession

EXHIBIT 1

Form 1120-S Department of the Treasury Internal Revenue Service	U.S. Income Tax Return for an S Corporation Do not file this form unless the corporation has filed or is attaching Form 2553 to elect to be an S corporation. Go to www.irs.gov/Form1120S for instructions and the latest information. EXTENSION GRANTED TO 09/16/24	OMB No. 1545-0123 2023
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For calendar year 2023 or tax year beginning

, ending

A S election effective date 01/21/2015	Name LEXINGTON BLUE, INC.	D Employer identification number 5063
B Business activity code number (see instructions) 236110	Number, street, and room or suite no. If a P.O. box, see instructions. 287 PASADENA DRIVE	E Date incorporated 01/21/2015
C Check if Sch. M-3 attached ☐	City or town, state or province, country, and ZIP or foreign postal code LEXINGTON, KY 40503	F Total assets (see instructions) \$ 2,001,902.

G Is the corporation electing to be an S corporation beginning with this tax year? ☐ Yes ☒ No

H Check if: (1) ☐ Final return (2) ☐ Name change (3) ☐ Address change (4) ☐ Amended return (5) ☐ S election termination

I Enter the number of shareholders who were shareholders during any part of the tax year 1

J Check if corporation: (1) ☐ Aggregated activities for section 465 at-risk purposes (2) ☐ Grouped activities for section 469 passive activity purposes

Caution: Include only trade or business income and expenses on lines 1a through 22. See the instructions for more information.

Income	1 a	Gross receipts or sales 6,299,920.	b	Less return and allowances		c	Balance	1c	6,299,920.
	2	Cost of goods sold (attach Form 1125-A)				2		4,214,773.	
	3	Gross profit. Subtract line 2 from line 1c			3		2,085,147.		
	4	Net gain (loss) from Form 4797, line 17 (attach Form 4797)			4				
	5	Other income (loss) (attach statement) STATEMENT 1			5		500.		
	6	Total income (loss). Add lines 3 through 5			6		2,085,647.		
Deductions (See instructions for limitations)	7	Compensation of officers (see instrs. - attach Form 1125-E)			7				
	8	Salaries and wages (less employment credits)			8		652,344.		
	9	Repairs and maintenance			9		51,123.		
	10	Bad debts			10				
	11	Rents			11		112,624.		
	12	Taxes and licenses STATEMENT 2			12		85,737.		
	13	Interest (see instructions)			13		39,882.		
	14	Depreciation from Form 4562 not claimed on Form 1125-A or elsewhere on return (attach Form 4562)			14		20,961.		
	15	Depletion (Do not deduct oil and gas depletion.)			15				
	16	Advertising			16		144,177.		
	17	Pension, profit-sharing, etc., plans			17		225.		
	18	Employee benefit programs			18		39,219.		
	19	Energy efficient commercial buildings deduction (attach Form 7205)			19				
	20	Other deductions (attach statement) STATEMENT 3			20		1,068,966.		
	21	Total deductions. Add lines 7 through 20			21		2,215,258.		
	22	Ordinary business income (loss). Subtract line 21 from line 6			22		-129,611.		
Tax and Payments	23 a	Excess net passive income or LIFO recapture tax (see instructions)	23a						
	b	Tax from Schedule D (Form 1120-S)	23b						
	c	Add lines 23a and 23b			23c				
	24 a	Current year's estimated tax payments and preceding year's overpayment credited to the current year	24a						
	b	Tax deposited with Form 7004	24b						
	c	Credit for federal tax paid on fuels (attach Form 4136)	24c						
	d	Elective payment election amount from Form 3800	24d						
	z	Add lines 24a through 24d			24z				
	25	Estimated tax penalty (see instructions). Check if Form 2220 is attached ☐			25				
	26	Amount owed. If line 24z is smaller than the total of lines 23c and 25, enter amount owed			26				
	27	Overpayment. If line 24z is larger than the total of lines 23c and 25, enter amount overpaid			27				
	28	Enter amount from line 27: Credited to 2024 estimated tax Refunded			28				

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer _____ Date _____	Title PRESIDENT	May the IRS discuss this return with the preparer shown below? See instr. ☒ Yes ☐ No
Paid Preparer Use Only	Print/Type preparer's name BRANDI N GILLEN	Preparer's signature	PTIN P00659847
	Firm's name DEAN DORTON ALLEN FORD, PLLC	Firm's EIN 8252	
	Firm's address 250 W. MAIN STREET STE. 1400 LEXINGTON, KY 40507	Phone no. 2341	

Form 1120-S (2023)

LEXINGTON BLUE, INC.

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Schedule B Other Information (see instructions)					Yes	No
1 Check accounting method: a ☒ Cash b ☐ Accrual c ☐ Other (specify) _____						
2 See the instructions and enter the:						
a Business activity <u>CONSTRUCTION</u> b Product or service <u>ROOFING</u>						
3 At any time during the tax year, was any shareholder of the corporation a disregarded entity, a trust, an estate, or a nominee or similar person? If "Yes," attach Schedule B-1, Information on Certain Shareholders of an S Corporation _____						X
4 At the end of the tax year, did the corporation:						
a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total stock issued and outstanding of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below _____						X
(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage of Stock Owned	(v) If Percentage in (iv) is 100%, Enter the Date (if applicable) a Qualified Subchapter S Subsidiary Election Was Made		
b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below _____						X
(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum Percentage Owned in Profit, Loss, or Capital		
5a At the end of the tax year, did the corporation have any outstanding shares of restricted stock? _____ If "Yes," complete lines (i) and (ii) below.						X
(i) Total shares of restricted stock _____						
(ii) Total shares of non-restricted stock _____						
b At the end of the tax year, did the corporation have any outstanding stock options, warrants, or similar instruments? _____ If "Yes," complete lines (i) and (ii) below.						X
(i) Total shares of stock outstanding at the end of the tax year _____						
(ii) Total shares of stock outstanding if all instruments were executed _____						
6 Has this corporation filed, or is it required to file, Form 8918 , Material Advisor Disclosure Statement, to provide info. on any reportable transaction? ... ☐						X
7 Check this box if the corporation issued publicly offered debt instruments with original issue discount ☐ If checked, the corporation may have to file Form 8281 , Information Return for Publicly Offered Original Issue Discount Instruments.						
8 If the corporation (a) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to the basis of the asset (or the basis of any other property) in the hands of a C corporation, and (b) has net unrealized built-in gain in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years \$ _____						
9 Did the corporation have an election under section 163(j) for any real property trade or business or any farming business in effect during the tax year? See instructions _____						X
10 Does the corporation satisfy one or more of the following? See instructions _____						X
a The corporation owns a pass-through entity with current, or prior year carryover, excess business interest expense.						
b The corporation's aggregate average annual gross receipts (determined under section 448(c)) for the 3 tax years preceding the current tax year are more than \$29 million and the corporation has business interest expense.						
c The corporation is a tax shelter and the corporation has business interest expense. If "Yes," complete and attach Form 8990 , Limitation on Business Interest Expense Under Section 163(j).						
11 Does the corporation satisfy both of the following conditions? _____						X
a The corporation's total receipts (see instructions) for the tax year were less than \$250,000.						
b The corporation's total assets at the end of the tax year were less than \$250,000. If "Yes," the corporation is not required to complete Schedules L and M-1.						

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LEXINGTON BLUE, INC.

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Schedule B Other Information (see instructions) (continued)	Yes	No
12 During the tax year, did the corporation have any non-shareholder debt that was canceled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt? If "Yes," enter the amount of principal reduction \$		X
13 During the tax year, was a qualified subchapter S subsidiary election terminated or revoked? If "Yes," see instructions		X
14a Did the corporation make any payments in 2023 that would require it to file Form(s) 1099?	X	
b If "Yes," did or will the corporation file required Form(s) 1099?	X	
15 Is the corporation attaching Form 8996 to certify as a Qualified Opportunity Fund?		X
If "Yes," enter the amount from Form 8996, line 15 \$		
16 At any time during the tax year, did the corporation: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? See instructions		X

Schedule K Shareholders' Pro Rata Share Items			Total amount	
Income (Loss)	1 Ordinary business income (loss) (page 1, line 22)	1	-129,611.	
	2 Net rental real estate income (loss) (attach Form 8825)	2		
	3a Other gross rental income (loss) 3a			
	b Expenses from other rental activities (attach statement) 3b			
	c Other net rental income (loss). Subtract line 3b from line 3a	3c		
	4 Interest income STATEMENT 4	4	4,055.	
	5 Dividends: a Ordinary dividends 5a			
	b Qualified dividends 5b			
	6 Royalties	6		
	7 Net short-term capital gain (loss) (attach Schedule D (Form 1120-S))	7		
Deductions	8a Net long-term capital gain (loss) (attach Schedule D (Form 1120-S))	8a		
	b Collectibles (28%) gain (loss) 8b			
	c Unrecaptured section 1250 gain (attach statement) 8c			
	9 Net section 1231 gain (loss) (attach Form 4797)	9		
	10 Other income (loss) (see instructions) ... Type	10		
	11 Section 179 deduction (attach Form 4562) STATEMENT 5	11		
	12a Charitable contributions 12a	12a	3,000.	
Credits	b Investment interest expense 12b	12b		
	c Section 59(e)(2) expenditures Type 12c	12c		
	d Other deductions (see instructions) Type 12d	12d		
	13a Low-income housing credit (section 42(j)(5)) 13a	13a		
	b Low-income housing credit (other) 13b	13b		
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable) 13c	13c		
	d Other rental real estate credits (see instructions) Type 13d	13d		
Inter-national	e Other rental credits (see instructions) Type 13e	13e		
	f Biofuel producer credit (attach Form 6478) 13f	13f		
	g Other credits (see instructions) Type 13g	13g		
	14 Attach Schedule K-2 (Form 1120-S), Shareholders' Pro Rata Share Items - International, and check this box to indicate you are reporting items of international tax relevance ☐			
	Alternative Minimum Tax (AMT) Items	15a Post-1986 depreciation adjustment 15a	15a	
		b Adjusted gain or loss 15b	15b	
		c Depletion (other than oil and gas) 15c	15c	
d Oil, gas, and geothermal properties - gross income 15d		15d		
e Oil, gas, and geothermal properties - deductions 15e		15e		
f Other AMT items (attach statement) 15f		15f		
Items Affecting Shareholder Basis	16a Tax-exempt interest income 16a	16a		
	b Other tax-exempt income 16b	16b		
	c Nondeductible expenses STATEMENT 6	16c	8,449.	
	d Distributions (attach statement if required) 16d	16d	370,560.	
	e Repayment of loans from shareholders 16e	16e		
	f Foreign taxes paid or accrued 16f	16f		

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Form 1120S (2023)

LEXINGTON BLUE, INC.

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Schedule K Shareholders' Pro Rata Share Items (continued)		Total amount	
Other Information	17a Investment income	17a	4,055.
	b Investment expenses	17b	
	c Dividend distributions paid from accumulated earnings and profits	17c	
	d Other items and amounts (att. stmt.)		STATEMENT 7
Reconciliation	18 Income (loss) reconciliation. Combine the total amounts on lines 1 through 10. From the result, subtract the sum of the amounts on lines 11 through 12d and 16f		18 -128,556.

Schedule L Balance Sheets per Books		Beginning of tax year		End of tax year	
Assets		(a)	(b)	(c)	(d)
1	Cash		175,119.		83,205.
2 a	Trade notes and accounts receivable	184,511.		1,914,606.	
b	Less allowance for bad debts	()	184,511.	()	1,914,606.
3	Inventories				
4	U.S. government obligations				
5	Tax-exempt securities				
6	Other current assets (att. stmt.)				
7	Loans to shareholders				
8	Mortgage and real estate loans				
9	Other investments (att. stmt.)				
10 a	Buildings and other depreciable assets	374,841.		379,674.	
b	Less accumulated depreciation	(354,622.)	20,219.	(375,583.)	4,091.
11 a	Depletable assets				
b	Less accumulated depletion	()		()	
12	Land (net of any amortization)				
13 a	Intangible assets (amortizable only)				
b	Less accumulated amortization	()		()	
14	Other assets (att. stmt.)				
15	Total assets		379,849.		2,001,902.
Liabilities and Shareholders' Equity					
16	Accounts payable		67,940.		535,793.
17	Mortgages, notes, bonds payable in less than 1 year				
18	Other current liabilities (att. stmt.)	STATEMENT 8	240,722.		4,353.
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more		52,441.		613,754.
21	Other liabilities (att. stmt.)				
22	Capital stock				
23	Additional paid-in capital		17,377.		91,956.
24	Retained earnings	STATEMENT 9	1,369.		756,046.
25	Adjustments to shareholders' equity (att. stmt.)				
26	Less cost of treasury stock	()		()	
27	Total liabilities and shareholders' equity		379,849.		2,001,902.

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LEXINGTON BLUE, INC.

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Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

Note: The corporation may be required to file Schedule M-3. See instructions.

1 Net income (loss) per books	1,125,237.	5 Income recorded on books this year not included on Schedule K, lines 1 through 10 (itemize):	
2 Income included on Schedule K, lines 1, 2, 3c, 4, 5a, 6, 7, 8a, 9, and 10, not recorded on books this year (itemize):		a Tax-exempt interest \$	
STMT 10	184,511.	STMT 12	1,914,606.
3 Expenses recorded on books this year not included on Schedule K, lines 1 through 12 and 16f (itemize):		6 Deductions included on Schedule K, lines 1 through 12 and 16f, not charged against book income this year (itemize):	
a Depreciation \$		a Depreciation \$	
b Travel and entertainment \$ 5,942.		STMT 13	67,940.
STMT 11	538,300.	7 Add lines 5 and 6	1,982,546.
4 Add lines 1 through 3	1,853,990.	8 Income (loss) (Schedule K, line 18). Subtract line 7 from line 4	-128,556.

Schedule M-2 Analysis of Accumulated Adjustments Account, Shareholders' Undistributed Taxable Income Previously Taxed, Accumulated Earnings and Profits, and Other Adjustments Account (see instrs.)

	(a) Accumulated adjustments account	(b) Shareholders' undistributed taxable income previously taxed	(c) Accumulated earnings and profits	(d) Other adjustments account
1 Balance at beginning of tax year				241,629.
2 Ordinary income from page 1, line 22				
3 Other additions STATEMENT 14	4,055.			
4 Loss from page 1, line 22	(129,611.)			
5 Other reductions STATEMENT 15	(11,449.)			
6 Combine lines 1 through 5	-137,005.			241,629.
7 Distributions				241,629.
8 Balance at end of tax year. Subtract line 7 from line 6	-137,005.			0.

Form 1120-S (2023)

Form **1125-A****Cost of Goods Sold**

(Rev. November 2018)

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 1120, 1120-C, 1120-F, 1120S, or 1065.
▶ Go to www.irs.gov/Form1125A for the latest information.

OMB No. 1545-0123

Name LEXINGTON BLUE, INC.		Employer identification number 5063
1	Inventory at beginning of year	1
2	Purchases	2 2,655,257.
3	Cost of labor	3 1,551,620.
4	Additional section 263A costs (attach schedule)	4
5	Other costs (attach schedule) SEE STATEMENT 16	5 7,896.
6	Total. Add lines 1 through 5	6 4,214,773.
7	Inventory at end of year	7
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on Form 1120, page 1, line 2 or the appropriate line of your tax return. See instructions	8 4,214,773.

9a Check all methods used for valuing closing inventory:

(i) ☐ Cost

(ii) ☐ Lower of cost or market

(iii) ☐ Other (Specify method used and attach explanation) ▶

b Check if there was a writedown of subnormal goods ▶ ☐

c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ▶ ☐

d If the LIFO inventory method was used for this tax year, enter amount of closing inventory computed under LIFO **9d**

e If property is produced or acquired for resale, do the rules of Section 263A apply to the entity? See instructions ☐ Yes ☒ No

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? ☐ Yes ☒ No
If "Yes," attach explanation.

For Paperwork Reduction Act Notice, see separate instructions.

Form 1125-A (Rev. 11-2018)

Form **1125-E**

Compensation of Officers

(Rev. October 2016)

▶ Attach to Form 1120, 1120-C, 1120-F, 1120-REIT, 1120-RIC, or 1120S.

OMB No. 1545-0123

Department of the Treasury
Internal Revenue Service

► Information about Form 1125-E and its separate instructions is at www.irs.gov/form1125e.

Name

Employer Identification number

LEXINGTON BLUE, INC.

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Note: Complete Form 1125-E only if total receipts are \$500,000 or more. See instructions for definition of total receipts.

[illegible]

For Paperwork Reduction Act Notice, see separate instructions.

Form 1125-E (Rev. 10-2016)

Form **4562****Depreciation and Amortization**
(Including Information on Listed Property)

OTHER

OMB No. 1545-0172

2023Attachment
Sequence No. **179**

Department of the Treasury

Internal Revenue Service

Go to www.irs.gov/Form4562 for instructions and the latest information.

Attach to your tax return.

Name(s) shown on return

Business or activity to which this form relates

Identifying number

LEXINGTON BLUE, INC.

OTHER DEPRECIATION

5063

Part I Election To Expense Certain Property Under Section 179 Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	1,160,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	2,890,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2022 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	
13	Carryover of disallowed deduction to 2024. Add lines 9 and 10, less line 12	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year	14	3,867.
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Don't include listed property. See instructions.)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2023	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here		

Section B - Assets Placed in Service During 2023 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property		967.	7 YRS	HY	S/L	138.
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	/		27.5 yrs.	MM	S/L	
	/		27.5 yrs.	MM	S/L	
i Nonresidential real property	/		39 yrs.	MM	S/L	
	/			MM	S/L	

Section C - Assets Placed in Service During 2023 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 30-year	/		30 yrs.	MM	S/L	
d 40-year	/		40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	16,956.
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.	22	20,961.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Form 4562 (2023)

LEXINGTON BLUE, INC.

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Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, and property used for entertainment, recreation, or amusement.)**Note:** For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.**Section A - Depreciation and Other Information** (Caution: See the instructions for limits for passenger automobiles.)**24a** Do you have evidence to support the business/investment use claimed? ☒ **Yes** ☐ **No** **24b** If "Yes," is the evidence written? ☒ **Yes** ☐ **No**

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
--	-------------------------------------	--	-------------------------------	--	---------------------------	------------------------------	----------------------------------	---------------------------------------

25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use **25****26** Property used more than 50% in a qualified business use:

SEE STATEMENT: 17	%						16,956.	
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27 Property used 50% or less in a qualified business use:

	%				S/L -			
	%				S/L -			
	%				S/L -			

28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 **28** 16,956.**29** Add amounts in column (i), line 26. Enter here and on line 7, page 1 **29****Section B - Information on Use of Vehicles**

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1	(b) Vehicle 2	(c) Vehicle 3	(d) Vehicle 4	(e) Vehicle 5	(f) Vehicle 6
30 Total business/investment miles driven during the year (don't include commuting miles)						
31 Total commuting miles driven during the year ...						
32 Total other personal (noncommuting) miles driven						
33 Total miles driven during the year. Add lines 30 through 32						
34 Was the vehicle available for personal use during off-duty hours?	Yes No	Yes No	Yes No	Yes No	Yes No	Yes No
35 Was the vehicle used primarily by a more than 5% owner or related person?						
36 Is another vehicle available for personal use?						

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who aren't more than 5% owners or related persons.

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	Yes	No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use?		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," don't complete Section B for the covered vehicles.**Part VI Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
-----------------------------	------------------------------------	------------------------------	------------------------	---	--------------------------------------

42 Amortization of costs that begins during your 2023 tax year:

--	--	--	--	--	--

43 Amortization of costs that began before your 2023 tax year **43****44** Total. Add amounts in column (f). See the instructions for where to report **44**

Section 1.263(a)-1(f) De Minimis Safe Harbor Election

Lexington Blue, inc.
287 Pasadena Drive
Lexington, KY 40503

Employer Identification Number: [REDACTED] 5063

For the Year Ending December 31, 2023

Lexington Blue, inc. is making the de minimis safe harbor election under Reg. Sec. 1.263(a)-1(f).

FORM 1120S	OTHER INCOME	STATEMENT 1
DESCRIPTION		AMOUNT
OTHER INCOME		500.
TOTAL TO FORM 1120S, PAGE 1, LINE 5		500.

FORM 1120S	TAXES AND LICENSES	STATEMENT 2
DESCRIPTION		AMOUNT
LOCAL TAXES		27.
PAYROLL TAXES		83,237.
VEHICLE REGISTRATION		42.
KENTUCKY CITY TAXES - OTHER		2,431.
TOTAL TO FORM 1120S, PAGE 1, LINE 12		85,737.

FORM 1120S	OTHER DEDUCTIONS	STATEMENT 3
DESCRIPTION		AMOUNT
BAD DEBTS		400.
BANK SERVICE CHARGES		8,753.
BUSINESS LICENSES		2,126.
COMMUNITY RELATIONS		3,076.
COMPUTER AND SOFTWARE EXPENSE		16.
CONTINUING EDUCATION		16,000.
DUES & SUBSCRIPTIONS		5,647.
GIFTS		25.
INCENTIVES		99,163.
INSURANCE		109,599.
MEALS		5,942.
MISCELLANEOUS		1,792.
OFFICE EXPENSE		237,353.
PROFESSIONAL FEES		313,039.
SECURITY		6,346.
STAFFING COSTS		57,524.
TRAINING		1,026.
TRAVEL		22,159.
UTILITIES		61,189.
VEHICLE EXPENSE		104,351.
WEBSITE		13,440.
TOTAL TO FORM 1120S, PAGE 1, LINE 20		1,068,966.

SCHEDULE K	INTEREST INCOME	STATEMENT 4
DESCRIPTION		AMOUNT
CENTRAL BANK & TRUST CO.		4,055.
TOTAL TO SCHEDULE K, LINE 4		4,055.

SCHEDULE K	CHARITABLE CONTRIBUTIONS				STATEMENT 5
DESCRIPTION	NO LIMIT	50%, 60% OR 100% LIMIT	30% LIMIT	20% LIMIT	
CHARITABLE CONTRIBUTION		3,000.			
TOTALS TO SCHEDULE K, LINE 12A		3,000.			

SCHEDULE K	NONDEDUCTIBLE EXPENSES	STATEMENT 6
DESCRIPTION		AMOUNT
ENTERTAINMENT		2,439.
GIFTS		68.
EXCLUDED MEALS EXPENSES		5,942.
TOTAL TO SCHEDULE K, LINE 16C		8,449.

SCHEDULE K	OTHER ITEMS, LINE 17D	STATEMENT 7
DESCRIPTION		AMOUNT
AGGREGATE BUSINESS ACTIVITY GROSS INCOME OR GAIN		2,085,647.
AGGREGATE BUSINESS ACTIVITY DEDUCTIONS		2,215,258.
SECTION 199A - ORDINARY INCOME (LOSS)		-129,611.
SECTION 199A - W-2 WAGES		652,344.
SECTION 199A - UNADJUSTED BASIS OF ASSETS		379,674.

SCHEDULE L	OTHER CURRENT LIABILITIES	STATEMENT 8
DESCRIPTION	BEGINNING OF TAX YEAR	END OF TAX YEAR
BENEFITS WITHHOLDING	1,702.	2,212.
GARNISHMENT WITHHELD	397.	749.
SIMPLE IRA PAYABLE	2,855.	1,392.
ZIP CAPITAL	235,768.	
TOTAL TO SCHEDULE L, LINE 18	240,722.	4,353.

SCHEDULE L	ANALYSIS OF TOTAL RETAINED EARNINGS PER BOOKS	STATEMENT 9
DESCRIPTION	AMOUNT	
BALANCE AT BEGINNING OF YEAR	1,369.	
NET INCOME PER BOOKS	1,125,237.	
DISTRIBUTIONS	-370,560.	
OTHER INCREASES (DECREASES)		
BALANCE AT END OF YEAR - SCHEDULE L, LINE 24, COLUMN (D)	756,046.	

SCHEDULE M-1	INCOME INCLUDED ON SCHEDULE K NOT RECORDED ON BOOKS THIS YEAR	STATEMENT 10
DESCRIPTION		AMOUNT
ACCOUNTS RECEIVABLE, 2022		184,511.
TOTAL TO SCHEDULE M-1, LINE 2		184,511.

SCHEDULE M-1 EXPENSES RECORDED ON BOOKS THIS YEAR STATEMENT 11
NOT INCLUDED ON SCHEDULE K

DESCRIPTION	AMOUNT
ENTERTAINMENT	2,439.
GIFTS	68.
ACCOUNTS PAYABLE, 2023	535,793.
TOTAL TO SCHEDULE M-1, LINE 3	538,300.

SCHEDULE M-1 INCOME RECORDED ON BOOKS THIS YEAR STATEMENT 12
NOT INCLUDED ON SCHEDULE K

DESCRIPTION	AMOUNT
ACCOUNTS RECEIVABLE, 2023	1,914,606.
TOTAL TO SCHEDULE M-1, LINE 5	1,914,606.

SCHEDULE M-1 DEDUCTIONS ON SCHEDULE K STATEMENT 13
NOT CHARGED AGAINST BOOK INCOME THIS YEAR

DESCRIPTION	AMOUNT
ACCOUNTS PAYABLE, 2022	67,940.
TOTAL TO SCHEDULE M-1, LINE 6	67,940.

SCHEDULE M-2 ACCUMULATED ADJUSTMENTS ACCOUNT - OTHER ADDITIONS STATEMENT 14

DESCRIPTION	AMOUNT
PORTFOLIO INTEREST INCOME	4,055.
TOTAL TO SCHEDULE M-2, LINE 3 - COLUMN (A)	4,055.

SCHEDULE M-2 ACCUMULATED ADJUSTMENTS ACCOUNT- OTHER REDUCTIONS STATEMENT 15

DESCRIPTION	AMOUNT
CHARITABLE CONTRIBUTIONS	3,000.
NONDEDUCTIBLE EXPENSES	8,449.
TOTAL TO SCHEDULE M-2, LINE 5 - COLUMN (A)	11,449.

FORM 1125-A OTHER COSTS STATEMENT 16

DESCRIPTION	AMOUNT
EQUIPMENT RENTAL	152.
OTHER COST OF GOODS SOLD	3,778.
REIMBURSEMENT EXPENSES	3,966.
TOTAL TO LINE 5	7,896.

FORM 4562 LISTED PROPERTY INFORMATION-MORE THAN 50% STATEMENT 17

(A) DESCRIPTION	(B) DATE	(C) BUS. %	(D) COST	(E) BASIS	(F) LIFE	(G) MTH/CV	(H) DEDUCTION	(I) 179 ELECTED
(K) TOTAL MILES	(L) BUSINESS MILES	(M) COMMUTING MILES	(N) PERSONAL MILES	(O) WAS VEH. AVAIL.? Y N	(P) > 5% OWNER? Y N	(Q) ANOTHER VEH. AVAILABLE? Y N		
2010 FORD TRANSIT	04/12/18	100.00	17,223.	X	5	200DB-HY X	X	
2018 TOYOTA TACOMA	07/03/18	100.00	27,780.	X	5	200DB-HY X	X	1,215.
2018 TOYOTA TACOMA	07/03/18	100.00	27,780.	X	5	200DB-HY X	X	1,215.
2018 TOYOTA TACOMA	07/03/18	100.00	27,733.	X	5	200DB-HY X	X	1,209.
2013 FORD ECONOLINE	10/18/18	100.00	13,348.	X	5	200DB-HY X	X	
2015 TOYOTA TACOMA	05/07/19	100.00	19,936.	X	5	200DB-HY X	X	431.
2019 TOYOTA TACOMA	05/03/19	100.00	28,766.	X	5	200DB-HY X	X	2,508.
2019 TOYOTA TACOMA	05/03/19	100.00	28,602.	X	5	200DB-HY X	X	2,470.
2019 TOYOTA TACOMA	05/03/19	100.00	28,602.	X	5	200DB-HY X	X	2,470.
2019 TOYOTA TUNDRA	05/03/19	100.00	41,219.	X	5	200DB-HY X	X	5,438.
2012 CHEVY SILVERADO	12/08/17	100.00	11,020.	X	5	200DB-HY X	X	
2021 INFINITY GENESIS GV80	10/25/22	100.00	53,274.	X	5	200DB-HY X	X	
TOTALS TO FORM 4562, PART V, LINE 26							16,956.	

2023

For calendar year 2023, or tax
year beginning _____
ending _____

OMB No. 1545-0123

Part III Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items

1	Ordinary business income (loss) -129,611.	13	Credits
2	Net rental real estate inc (loss)		
3	Other net rental income (loss)		
4	Interest income 4,055.		
5a	Ordinary dividends		
5b	Qualified dividends	14	Schedule K-3 is attached if checked ☐
6	Royalties	15	Alternative min tax (AMT) items
7	Net short-term capital gain (loss)		
8a	Net long-term capital gain (loss)		
8b	Collectibles (28%) gain (loss)		
8c	Unrecaptured sec 1250 gain		
9	Net section 1231 gain (loss)	16 C*	Items affecting shareholder basis 8,449.
10	Other income (loss)	D	370,560.
		17 A	Other information 4,055.
11	Section 179 deduction	V	* STMT
12 A	Other deductions 3,000.	AC	* STMT
		AJ	* STMT
18	☐ More than one activity for at-risk purposes*		
19	☐ More than one activity for passive activity purposes*		

*See attached statement for additional information.

311271
12-11-23

www.irs.gov/Form1120S

Schedule K-1 (Form 1120-S) 2023

SCHEDULE K-1 NONDEDUCTIBLE EXPENSES, BOX 16, CODE C

DESCRIPTION	AMOUNT	SHAREHOLDER FILING INSTRUCTIONS
ENTERTAINMENT	2,439.	
EXCLUDED MEALS EXPENSES	5,942.	SEE SHAREHOLDERS INSTRUCTIONS
GIFTS	68.	
TOTAL	8,449.	

SCHEDULE K-1 SECTION 199A ADDITIONAL INFORMATION

THE SECTION 199A AMOUNTS TO BE USED IN THE CALCULATION OF THE QUALIFIED BUSINESS INCOME DEDUCTION ON YOUR 1040/1041 RETURN ARE REPORTED ON LINE 17, UNDER CODE V. PLEASE CONSULT YOUR TAX ADVISOR REGARDING THE CALCULATION OF QUALIFIED BUSINESS INCOME DEDUCTION, INCLUDING THE POSSIBLE AGGREGATIONS AND LIMITATIONS THAT MAY APPLY AND THE FILING OF THE 1.199A-4(C)(2)(I) ANNUAL DISCLOSURE STATEMENT.

SCHEDULE K-1 SECTION 199A ITEMS, BOX 17
CODE V

DESCRIPTION	AMOUNT
TRADE OR BUSINESS	
ORDINARY INCOME(LOSS)	-129,611.
W-2 WAGES	652,344.
UNADJUSTED BASIS	379,674.

SCHEDULE K-1 GROSS RECEIPTS FOR SECTION 448(C), BOX 17, CODE AC

DESCRIPTION	AMOUNT
GROSS RECEIPTS - CURRENT YEAR	6,303,975.

SCHEDULE K-1 SCHEDULE K-3 NOTIFICATION

THE SCHEDULE K-3 HAS NOT BEEN PREPARED FOR YOU. YOU WILL NOT RECEIVE A COPY OF THE SCHEDULE UNLESS YOU REQUEST ONE.

SCHEDULE K-1 EXCESS BUSINESS LOSS LIMITATION, BOX 17, CODE AJ

DESCRIPTION	AMOUNT	SHAREHOLDER FILING INSTRUCTIONS
AGGREGATE BUSINESS ACTIVITY GROSS INCOME OR GAIN	2,085,647.	SEE IRS SCH. K-1 INSTRUCTIONS
AGGREGATE BUSINESS ACTIVITY DEDUCTIONS	2,215,258.	SEE IRS SCH. K-1 INSTRUCTIONS

FORM 8879(C)-K
Commonwealth of Kentucky
Department of Revenue

**Kentucky Corporation or Pass-through Entity Tax Return
Declaration For Electronic Filing**

2023

RETAIN FOR YOUR RECORDS DO NOT MAIL THIS FORM

► See instructions.

Submission ID#

Name of Entity	Federal Identification Number	Kentucky Corporation/LLET Account Number
LEXINGTON BLUE, INC.	5063	5 1 4 4 4 8
Address (Number, Street, and Room or Suite No.)	City, State, and ZIP Code	
287 PASADENA DRIVE	LEXINGTON, KY 40503	

PART I - Check the box for the tax return being electronically filed: ☐ 720 ☐ 720U ☒ PTE ☐ 725 ☐ 740NP-WH ☐ 740-PTET

Section A - Tax return information for form 720			LLET		Corporate Income	
1 Kentucky taxable net income	Part I, line 43	1	\$0	00		00
2 Total tax due	Part II, line 17 and Part III, line 15	2		00		00
3 Interest	Total Interest, if applicable	3		00		00
4 Penalty	Total Penalty, if applicable	4		00		00
5 Subtotal	Add lines 2 through 4	5		00		00
6 Total Payment Due	Total Payment	6			00	

Section B - Tax return information for form 720U			LLET		Corporate Income	
1 Kentucky taxable net income	Schedule U5, Section D, line 7	1	\$0	00		00
2 Total tax due	Page 1, Part I, line 1 and Part II, line 1	2		00		00
3 Interest	Page 1, Part I, line 2 and Part II, line 2	3		00		00
4 Penalty	Page 1, Part I, line 3 and Part II, line 3	4		00		00
5 Subtotal	Add lines 2 through 4	5		00		00
6 Total Payment Due	Total Payment	6			00	

Section C - Tax return information for form PTE			LLET		Income	
1 Federal ordinary income (loss)	Part I, line 1 (General Partnerships Only)	1	\$0	00		00
2 Kentucky ordinary income (loss)	Part I, line 21	2	\$0	00	-152,722	00
3 Total tax due	Part II, line 16 and Part III, line 11	3	0	00		00
4 Interest	Total Interest, if applicable	4		00		00
5 Penalty	Total Penalty, if applicable	5		00		00
6 Subtotal	Add lines 3 through 5	6		00		00
7 Total Payment Due	Total Payment	7			0	00

Section D - Tax return information for form 725			LLET		Income	
1 Total net distributable income	725, Part I, line 11	1	\$0	00		00
2 Total tax due	725, Part II, line 15	2		00		00
3 Interest	Total Interest, if applicable	3		00		00
4 Penalty	Total Penalty, if applicable	4		00		00
5 Subtotal	Add lines 2 through 4	5		00		00
6 Total Payment Due	Total Payment	6			00	

Section E - Tax return information for form 740NP-WH			Income	
1 Kentucky distributive share income	Page 1, Line 5	1		00
2 Total tax due	Page 2, Line 16	2		00
3 Interest	Total Interest, if applicable	3		00
4 Penalty	Total Penalty, if applicable	4		00
5 Total Payment Due	Total Payment, add lines 2 through 4	5		00

Section F - Tax return information for form 740-PTET			Income	
1 Income tax due	Page 2, Line 15	1		00
2 Total tax due	Page 2, Line 17	2		00
3 Interest	Total Interest, if applicable	3		00
4 Penalty	Total Penalty, if applicable	4		00
5 Total Payment Due	Total Payment, add lines 2 through 4	5		00

FORM 8879(C)-K
(2023)

Page 2 of 2

PART II - Direct Debit of Tax Amount Due (See Instructions)

Not applicable for general partnerships

- 1 Routing transit number (RTN) _____ The first two numbers of the RTN must be 01 through 12 or 21 through 32.
- 2 Depositor account number (DAN) _____
- 3 Type of account: ☐ Savings ☐ Checking
- 4 Debit amount _____
- 5 In order to comply with electronic banking regulations, please answer the following question.
- (a) Direct Debit - Will these funds come from an account located outside of the United States? Yes ☐ No ☐

PART III - Declaration of Authorized Representative of Entity (Sign only after Parts I and II are completed.)

- ☐ I authorize the Kentucky Department of Revenue and its designated Financial Agent to initiate an ACH electronic funds withdrawal entry to the financial institution account indicated in Part II for payment of the state taxes owed on this return. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment.

If this is a balance due return, I understand that if the Department of Revenue does not receive the full and timely payment of the tax liability, the entity will remain liable for the tax liability and all applicable interest and penalties.

I, the undersigned, declare under the penalties of perjury, that I am an officer of the corporation, partner or member of the limited liability pass-through entity, or partner of the general partnership and that I have examined a copy of the corporation's, limited liability pass-through entity's, or general partnership's electronic tax return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. I further declare that the amounts in Part I are the amounts shown on the copy of the Form 720, 720U, PTE, 725, 740NP-WH, and 740-PTET electronic tax return.

Signature of Authorized Representative _____ Date _____

Type or Print the Name and Title
of the Authorized Representative Signing this Document BRADLY J PAGEL PRESIDENT

PART IV - Declaration and Signature of Electronic Return Originator (ERO) and Paid Preparer

I, the undersigned, declare that I have reviewed the tax return and that the entries on Part I are true, correct, and complete. If I am only the ERO, I am not responsible for reviewing the tax return and only declare that this tax return accurately reflects the data on the tax return. The corporate officer of the corporation, partner or member of the limited liability pass-through entity, or partner of the general partnership will have signed this form before I submit the tax return. I will give the corporate officer of the corporation, partner or member of the limited liability pass-through entity, or partner of the general partnership all forms, including accompanying schedules and statements, filed with the Kentucky Department of Revenue. If I am also the paid preparer, I declare under the penalties of perjury that I have examined this tax return, including all accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Check ☒ if also a paid preparer.

ERO's signature DEAN DORTON ALLEN FORD, PL Date _____ I.D. Number of ERO 9847

Firm's name (or your
name if self-employed) DEAN DORTON ALLEN FORD, PLLC FEIN 8252
250 W. MAIN STREET STE. 1400
Address LEXINGTON, KY ZIP Code 40507

I, the undersigned, declare under the penalties of perjury that I have examined this tax return, including all accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Preparer's signature _____ Date _____ I.D. Number of Preparer _____

Firm's name (or your
name if self-employed) _____ FEIN _____

Address _____ ZIP Code _____

TAX RETURN FILING INSTRUCTIONS

KENTUCKY FORM PTE

FOR THE YEAR ENDING
DECEMBER 31, 2023

PREPARED FOR:

LEXINGTON BLUE, INC.
287 PASADENA DRIVE
LEXINGTON, KY 40503

PREPARED BY:

DEAN DORTON ALLEN FORD, PLLC
250 W. MAIN STREET STE. 1400
LEXINGTON, KY 40507

TO BE SIGNED AND DATED BY:

THE APPROPRIATE CORPORATE OFFICER(S).

AMOUNT OF TAX:

TOTAL TAX	\$	175
LESS: PAYMENTS AND CREDITS	\$	175
PLUS: OTHER AMOUNT	\$	0
PLUS: INTEREST AND PENALTIES	\$	0
NO PAYMENT REQUIRED	\$	

OVERPAYMENT:

NOT APPLICABLE

MAKE CHECK PAYABLE TO:

NOT APPLICABLE

MAIL TAX RETURN TO:

THIS RETURN HAS QUALIFIED FOR ELECTRONIC FILING. AFTER YOU HAVE REVIEWED YOUR RETURN FOR ACCURACY, PLEASE SIGN, DATE AND RETURN FORM 8879(C)-K TO OUR OFFICE. WE WILL THEN TRANSMIT YOUR RETURN TO THE KY DOR. DO NOT MAIL THE PAPER COPY.

RETURN MUST BE MAILED ON OR BEFORE:

RETURN FORM 8879(C)-K TO US BY OCTOBER 15, 2024.

SPECIAL INSTRUCTIONS:

ENCLOSED IS A COPY OF SCHEDULE K-1 TO BE DISTRIBUTED TO THE SHAREHOLDER.

FORM **720EXT**
Commonwealth of Kentucky
Department of Revenue

Corporation/LLET Extension

2023

864621 12-13-23

★ Please cut on the dotted line. ★

720EXT

EXTENSION OF TIME TO FILE KENTUCKY CORPORATION / LLET RETURN

2023

KY Corporation / LLET Account No.

Taxable Year Ending (MMYY)

5 1 4 4 4 8

1 2 2 3

²⁴
TRAN CODE

Entity Name

LEXINGTON BLUE, INC.

Federal Identification Number

5063

287 PASADENA DRIVE

01/15

Dollars

Cents

LEXINGTON, KY 40503

Corporation
Income Tax

BRADLY J. PAGEL

(859) 368-6346

Limited Liability
Entity Tax

Total

Form Type:

☐ 720

☐ 725

☐ 720U

☒ PTE - S Corporation

☐ PTE - General Partnership

☐ PTE - Partnership

41A720SL0002

KY Department of Revenue
Frankfort, KY 40620-0021

Brandi Gillen

1019

Signature of Principle Officer or Chief Accounting Officer OR Preparer Other than Taxpayer

Date

KENTUCKY PASS-THROUGH ENTITY
INCOME AND LLET RETURN

2023

For calendar year 2023 or tax years beginning (MM-DD-YY) 1/1/23, and ending (MM-DD-YY) 12/31/23

A Entity Type ☐ Partnership ☒ S Corporation ☐ General Partnership	B FEIN/SSN [REDACTED] 5063 Name of Pass-Through Entity LEXINGTON BLUE, INC.	C Kentucky Corporation/LLET Account Number (Required) 5 1 4 4 4 8 ☐ Change of Name Telephone Number (859) 368-634
D LLET Exemption Code 	Number and Street 287 PASADENA DRIVE City LEXINGTON State KY ZIP Code 40503	State of Organization KY Date of Organization 01/21/2015
E Income Tax Exemption Code 	G Check applicable boxes ☐ Publicly traded partnership ☐ Qualified investment partnership ☐ LLC ☐ LP ☐ LLP ☐ Initial return ☐ Change of accounting period ☐ Amended return (Complete Part V) ☐ Short-period return (Complete Part IV) ☐ Final return (Complete Part IV)	Principal Business Activity in KY CONSTRUCTION NAICS Code Number in KY 236110
F S-Factor Apportionment Code 	H K-1 and Owner Information 1 Schedule(s) K-1 Issued 1 Resident Owners Nonresident Owners Other Type of Owners Schedule(s) K-1 Received	

PART I - ORDINARY INCOME (LOSS) COMPUTATION

1 Federal ordinary income (loss)	▶ 1	-129,611 00
ADDITIONS TO FEDERAL ORDINARY INCOME		
2 State taxes based on net/gross income	▶ 2	00
3 Federal depreciation (do not include IRC § 179 expense deduction)	▶ 3	20,961 00
4 Related party expense (attach Schedule RPC)	▶ 4	00
5 (Loss) from Form 4797 found on federal Form 1120S, line 4 or federal Form 1065, line 6	▶ 5	00
6 Gain from Kentucky Form 4797, Part II, line 17	▶ 6	00
7 Federal allowable depletion from Form 1120S, line 15 or Form 1065, line 17	▶ 7	00
8 Enter additions to federal taxable income from Kentucky Schedule(s) K-1.	▶ 8	00

OFFICIAL USE ONLY	
PW 204	VAL #

FORM PTE (2023)

2 3 0 3 8 2 1 0 1 9

Page 2 of 11

PART I - ORDINARY INCOME (LOSS) COMPUTATION - continued

9 Internal Revenue Code adjustments (see instructions)	▶ 9		00
10 Other additions (attach explanation)	▶ 10		00
11 Total (add lines 1 through 10)	▶ 11	-108,650	00
SUBTRACTIONS FROM FEDERAL ORDINARY INCOME			
12 Reserved for future use	▶ 12		
13 Kentucky depreciation (do not include IRC § 179 expense deduction)	▶ 13	44,072	00
14 Gain from Form 4797 found on federal Form 1120S, line 4 or federal Form 1065, line 6	▶ 14		00
15 (Loss) from Kentucky Form 4797, Part II, line 17	▶ 15		00
16 Kentucky allowable depletion	▶ 16		00
17 Enter subtractions from federal taxable income from Kentucky Schedule(s) K-1.	▶ 17		00
18 Internal Revenue Code adjustments (see instructions)	▶ 18		00
19 Other subtractions (attach explanation)	▶ 19		00
20 Total subtractions (add lines 12 through 19)	▶ 20	44,072	00
21 Kentucky ordinary income (loss) (line 11 less line 20)	▶ 21	-152,722	00

FORM PTE (2023)

2 3 0 3 8 3 1 0 1 9

Page 3 of 11

PART II - LLET COMPUTATION

1	Schedule L, Section E, line 1 (Page 11)	▶ 1	175	00
2	Tax credit recapture	▶ 2		00
3	Total (add lines 1 and 2)	▶ 3	175	00
4	Nonrefundable LLET credit from Kentucky Schedule(s) K-1	▶ 4		00
5	Nonrefundable tax credits (attach Schedule TCS)	▶ 5		00
6	LLET liability (greater of line 3 less lines 4 and 5 or \$175 minimum)	▶ 6	175	00
7	Estimated tax payments	▶ 7		00
8	Refundable tax credits (attach Schedule TCS)	▶ 8		00
9	Reserved for future use	▶ 9		
10	Extension payment	▶ 10	175	00
11	Prior year's tax credit	▶ 11		00
12	Income tax overpayment from Part III, line 13	▶ 12		00
13	LLET paid on original return	▶ 13		00
14	LLET overpayment on original return	▶ 14		00
15	Estimated Tax Penalty (attach Form 2220-K)	▶ 15		00
16	LLET and Estimated Tax Penalty due (lines 6, 14, and 15 less lines 7 through 13)	TAX DUE ▶ 16	0	00
17	LLET overpayment (lines 7 through 13 less lines 6, 14, and 15)	▶ 17		00
18	Credited to 2023 income tax	▶ 18		00
19	Credited to 2023 interest	▶ 19		
20	Credited to 2023 penalty	▶ 20		
21	Credited to 2024 LLET	▶ 21		00
22	Amount to be refunded (line 17 less lines 18 through 21)	REFUND ▶ 22		

FORM PTE (2023)

2 3 0 3 8 4 1 0 1 9

Page 4 of 11

PART III - INCOME TAX COMPUTATION (For S-Corporations or Partnerships)

☐ By checking the box, the Partnership elects to pay the tax on behalf of its partners due to an IRS audit per KRS 141.211(4).

1	Excess net passive income tax	▶ 1		00
2	Built-in gains tax	▶ 2		00
3	Tax installment on LIFO recapture	▶ 3		00
4	Total (add lines 1 through 3, but not less than zero)	▶ 4		00
5	Estimated tax payments	▶ 5		00
6	Extension payment	▶ 6		00
7	Prior year's tax credit	▶ 7		00
8	LLET overpayment from Part II, line 18	▶ 8		00
9	Income tax paid on original return	▶ 9		00
10	Income tax overpayment on original return	▶ 10		00
11	Income tax due (lines 4 and 10 less lines 5 through 9)	TAX DUE ▶ 11		00
12	Income tax overpayment (lines 5 through 9 less lines 4 and 10)	▶ 12		00
13	Credited to 2023 LLET	▶ 13		00
14	Credited to 2023 interest	▶ 14		
15	Credited to 2023 penalty	▶ 15		
16	Credited to 2024 corporation income tax	▶ 16		00
17	Amount to be refunded (line 12 less lines 13 through 16)	REFUND ▶ 17		

FORM PTE (2023)

2 3 0 3 8 5 1 0 1 9

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PART IV - EXPLANATION OF FINAL RETURN AND/OR SHORT-PERIOD RETURN
☐
☐
☐

Ceased operations in Kentucky
 Change of ownership
 Successor to previous business

☐
☐
☐

Change in filing status
 Merger
 Other _____

PART V - EXPLANATION OF AMENDED RETURN CHANGES

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of Member	Date
	Name of Member (Please print) BRADLY J. PAGEL	Title
Paid Preparer Use	Signature of Preparer	Date
	Name of Preparer or Firm (Please print) DEAN DORTON ALLEN FORD, PLLC	ID Number 8252
	Email and/or Telephone No. 859-255-2341	May the DOR discuss this return with this preparer? ☒ YES ☐ NO

Enclose	All supporting federal forms and schedules, including Federal Schedule(s) C, E, and/or F.	Refund or No Payment	Kentucky Department of Revenue Frankfort, KY 40618-0010
	Check Payable: Kentucky State Treasurer E-Pay Options: www.revenue.ky.gov		With Payment Kentucky Department of Revenue Frankfort, KY 40620-0021

SCHEDULE Q - QUESTIONNAIRE

IMPORTANT: Questions 1 and 2 must be answered if this is the pass-through entity's initial return or if a return was not filed under the same name and same federal I.D. number for the preceding year. Failure to do so may result in a request for a delinquent return.

1 Indicate whether:

- (a) ☐ new business
 (b) ☐ successor to previously existing business which was organized as:
 (1) ☐ corporation;
 (2) ☐ partnership;
 (3) ☐ sole proprietorship; or,
 (4) ☐ other _____

If successor to previously existing business, give name, address, and federal I.D. number of the previous business organization.

Name
FEIN
Address

- 2 If a foreign pass-through entity, enter the date qualified to do business in Kentucky.
- _____

Questions 3-7 must be completed by all pass-through entities.

- 3 The pass-through entity's books are in care of:

Name
THE COMPANY
Address
287 PASADENA DRIVE
LEXINGTON, KY 40503

- 4 Are disregarded entities included in this return?

☐ Yes ☒ No

If yes, attach Schedule DE.

- 5 For the taxable period being reported, was the pass-through entity a partner or member in a pass-through entity doing business in Kentucky?

☐ Yes ☒ No

If yes, list the name(s) and federal I.D. number(s) of the pass-through entity(ies).

Name
A _____
FEIN
Name
B _____
FEIN
Name
C _____
FEIN
Name
D _____
FEIN
Name
E _____
FEIN
Name
F _____
FEIN
Name
G _____
FEIN

- 6 For taxable period being reported, was the passthrough entity doing business in Kentucky other than through its interest held in a pass-through entity doing business in Kentucky?

☒ Yes ☐ No

- 7 Was this return prepared on:

- (a) ☒ cash basis
 (b) ☐ accrual basis
 (c) ☐ other _____

FORM PTE (2023)

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SCHEDULE K - OWNER'S SHARE OF INCOME, CREDITS, DEDUCTIONS, ETC.**SECTION A - Income (Loss) and Deductions****Total Amount**

1	Kentucky ordinary income (loss) from trade or business activities (Page 2, Part I, line 21)	▶ 1	<152,722>	00
2	Net income (loss) from rental real estate activities (attach federal Form 8825)	▶ 2		00
3	(a) Gross income from other rental activities	▶ 3(a)		00
	(b) Less expenses from other rental activities (attach schedule)	▶ (b)		00
	(c) Net income (loss) from other rental activities (line 3(a) less line 3(b))	▶ (c)		00
4	Portfolio income (loss):			
	(a) Interest income	▶ 4(a)	4,055	00
	(b) Dividend income	▶ (b)		00
	(c) Royalty income	▶ (c)		00
	(d) Net short-term capital gain (loss) (attach federal Schedule D and Kentucky Schedule D, if applicable.)	▶ (d)		00
	(e) Net long-term capital gain (loss) (attach federal Schedule D and Kentucky Schedule D, if applicable.)	▶ (e)		00
	(f) Other portfolio income (loss) (attach schedule)	▶ (f)		00
5	Partnerships Only: Guaranteed payments to partners	▶ 5		00
6	IRC § 1231 net gain (loss) (other than due to casualty or theft) (attach federal Form 4797 and Kentucky Form 4797)	▶ 6		00
7	Other income (loss) (attach schedule)	▶ 7		00
8	Charitable contributions (attach schedule)	▶ 8	3,000	00
9	IRS § 179 expense deduction (attach federal Form 4562 and Kentucky Form 4562)	▶ 9		00
10	Deductions related to portfolio income (loss) (attach schedule)	▶ 10		00
11	Other deductions (attach schedule)	▶ 11		00

FORM PTE (2023)

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Page 8 of 11

SCHEDULE K - OWNER'S SHARE OF INCOME, CREDITS, DEDUCTIONS, ETC. - continued**SECTION A - Income (loss) and Deductions (continued)****Total Amount****Investment Interest**

12 (a)	Interest expense on investment debts	▶ 12(a)		00
(b) (1)	Investment income included on Section A, lines 4(a), 4(b), 4(c), and 4(f)	▶ (b)(1)	4,055	00
(b) (2)	Investment expenses included on Section A, line 10	▶ (b)(2)		00

Non-Refundable Tax Credits (see instructions)

13 Enter the applicable tax credit:

(a)	_____	▶ 13(a)		00
(b)	_____	▶ (b)		00
(c)	_____	▶ (c)		00

GENERAL PARTNERSHIPS ONLY - Refundable Tax Credits

14	Certified rehabilitation tax credit (attach certification(s))	▶ 14		00
15	Kentucky Entertainment Incentive tax credit (attach certification(s))	▶ 15		00
16	Decontamination tax credit (attach certification(s))	▶ 16		00

Other Items

17 (a)	Type of IRC §59(e)(2) expenditures	▶	_____	▶ 17(b)		00
(b)	Amount of IRC §59(e)(2) expenditures					
18	Tax-exempt interest income	▶ 18			00	
19	Other tax-exempt income	▶ 19			00	
20	Non deductible expenses	STMT 2 ▶ 20	8,449		00	
21	Property distributions (including cash) other than dividend distributions reported to you on Form 1099-DIV	▶ 21	370,560		00	
22	Supplemental information required to be reported to each owner (attach schedule)	▶ 22			00	
23	S-corporations only: Total dividend distributions paid from accumulated earnings and profits	▶ 23			00	

FORM PTE (2023)

2 3 0 3 8 9 1 0 1 9

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SCHEDULE K - OWNER'S SHARE OF INCOME, CREDITS, DEDUCTIONS, ETC. - continued**SECTION B - LLET Pass-through Items (Required)**

1	Kentucky gross receipts from Schedule L, Section A, line 2	▶ 1	5,871,122	00
2	Total gross receipts from Schedule L, Section B, line 1	▶ 2	6,299,919	00
3	Kentucky gross profits from Schedule L, Section A, line 5	▶ 3	1,943,222	00
4	Total gross profits from Schedule L, Section B, line 3	▶ 4	2,085,146	00
5	Limited liability entity tax (LLET) nonrefundable credit from page 3, Part II, the total of lines 4 and 6, less \$175	▶ 5		00

SECTION C - Apportionment Pass-through Items

1	Kentucky receipts from Schedule A, Part I, line 1	▶ 1	5,871,122	00
2	Total receipts from Schedule A, Part I, line 2	▶ 2	6,299,919	00

SECTION D - 3 - Factor Apportionment (KRS 141.121)

1	Kentucky property from Schedule A, Part I, line 5	▶ 1	377,257	00
2	Total property from Schedule A, Part I, line 6	▶ 2	377,257	00
3	Kentucky payroll from Schedule A, Part I, line 8	▶ 3	601,169	00
4	Total payroll from Schedule A, Part I, line 9	▶ 4	652,344	00

SCHEDULE L - LIMITED LIABILITY ENTITY TAX COMPUTATION

☐ Check the box and complete Schedule L-C, Limited Liability Entity Tax - Continuation Sheet, if the corporation filing this tax return is a partner or member of a limited liability pass-through entity or general partnership doing business in Kentucky. Enter the total amounts from Schedule L-C in Section A of this schedule.

SECTION A - Computation of Kentucky Gross Receipts and Gross Profits

1 (a) Gross receipts less returns and allowances	▶ 1 (a)	5,871,122	00
(b) Kentucky statutory gross receipts reductions	▶ (b)		00
2 Adjusted gross receipts (line 1(a) less line 1(b))	▶ 2	5,871,122	00
3 (a) Cost of goods sold (attach Schedule COGS)	▶ 3 (a)	3,927,900	00
(b) Kentucky statutory cost of goods sold reductions	▶ (b)		00
4 Adjusted cost of goods sold (line 3(a) less line 3(b))	▶ 4	3,927,900	00
5 Gross profits (line 2 less line 4)	▶ 5	1,943,222	00

SECTION B - Computation of TOTAL Gross Receipts and Gross Profits

1 Adjusted gross receipts	▶ 1	6,299,919	00
2 Cost of goods sold (attach Schedule COGS)	▶ 2	4,214,773	00
3 Gross profits (line 1 less line 2)	▶ 3	2,085,146	00

STOP

If Section B, Line 1 or 3 is \$3,000,000 or less, SKIP Sections C and D and enter \$175 in Section E, Line 1 and then enter \$175 on page 3, Part II, Line 1. Otherwise, continue to Section C on the next page.

FORM PTE (2023)

2 3 0 3 9 1 1 0 1 9

Page 11 of 11

SCHEDULE L - LIMITED LIABILITY ENTITY TAX COMPUTATION - continued**SECTION C - Computation of Gross Receipts LLET**

- 1 If gross receipts from all sources (Section B, line 1) are greater than \$3,000,000, but less than \$6,000,000, enter the following:

$$(\text{Section A, line 2} \times 0.00095) - \left[\frac{\$2,850 \times (\$6,000,000 - \text{Section A, line 2})}{\$3,000,000} \right]$$

but in no case shall the result be less than zero.

▶ 1

0	00
---	----

- 2 If gross receipts from all sources (Section B, line 1) are \$6,000,000 or greater, enter the following: Section A, line 2 × 0.00095.

▶ 2

5,578	00
-------	----

- 3 Enter the amount from line 1 or line 2.

▶ 3

5,578	00
-------	----

SECTION D - Computation of Gross Profits LLET

- 1 If gross profits from all sources (Section B, line 3) are greater than \$3,000,000, but less than \$6,000,000, enter the following:

$$(\text{Section A, line 5} \times 0.0075) - \left[\frac{\$22,500 \times (\$6,000,000 - \text{Section A, line 5})}{\$3,000,000} \right]$$

but in no case shall the result be less than zero.

▶ 1

0	00
---	----

- 2 If gross profits from all sources (Section B, line 3) are \$6,000,000 or greater, enter the following: Section A, line 5 × 0.0075.

▶ 2

0	00
---	----

- 3 Enter the amount from line 1 or line 2.

▶ 3

0	00
---	----

SECTION E - Computation of LLET

- 1 Enter the lesser of Section C, line 3 or Section D, line 3 here and on Page 3, Part II, line 1. If less than \$175, enter the minimum of \$175 here and on Page 3, Part II, line 1.

▶ 1

175	00
-----	----

LIMITED LIABILITY ENTITY TAX
COST OF GOODS SOLD**2023**

▶ See instructions.

▶ Attach to Form 720, 720U, PTE, or 725.

Name of Entity		Federal Identification Number		Kentucky Corporation/LLET Account Number	
LEXINGTON BLUE, INC.		5063		514448	
		Limited Liability Entity Tax			
		Column A Kentucky Cost of Goods Sold		Column B Total Cost of Goods Sold	
1	Inventory at beginning of year	1		00	00
2	Purchases	2	2,474,530	00	2,655,257 00
3	Cost of labor	3	1,446,011	00	1,551,620 00
4	Additional section 263A costs	4		00	00
5	Other costs	5	7,359	00	7,896 00
6	Total (add lines 1 through 5)	6	3,927,900	00	4,214,773 00
7	Inventory at end of year	7		00	00
8	Cost of goods sold (subtract line 7 from line 6)	8	3,927,900	00	4,214,773 00
9	Detail of purchases on line 2:	9			
(a)		(a)		00	00
(b)		(b)		00	00
(c)		(c)		00	00
(d)		(d)		00	00
(e)		(e)		00	00
(f)		(f)		00	00
(g)		(g)		00	00
(h)		(h)		00	00
(i)		(i)		00	00
(j)		(j)		00	00
(k)		(k)		00	00
10	Detail of additional section 263A costs on line 4:	10			
(a)		(a)		00	00
(b)		(b)		00	00
(c)		(c)		00	00
(d)		(d)		00	00
(e)		(e)		00	00
(f)		(f)		00	00
(g)		(g)		00	00
(h)		(h)		00	00
(i)		(i)		00	00
(j)		(j)		00	00
(k)		(k)		00	00
11	Detail of other costs on line 5:	11			
(a)	EQUIPMENT RENTAL	(a)	142	00	152 00
(b)	OTHER COST OF GOODS SOLD	(b)	3,521	00	3,778 00
(c)	REIMBURSEMENT EXPENSES	(c)	3,696	00	3,966 00
(d)		(d)		00	00
(e)		(e)		00	00
(f)		(f)		00	00
(g)		(g)		00	00
(h)		(h)		00	00
(i)		(i)		00	00
(j)		(j)		00	00
(k)		(k)		00	00

KY FORM PTE		KENTUCKY DEPRECIATION	STATEMENT 1
DESCRIPTION			AMOUNT
KENTUCKY OTHER DEPRECIATION			44,072.00
TOTAL TO FORM PTE, LINE 13			44,072.00

KY PTE		SCHEDULE K - NONDEDUCTIBLE EXPENSES	STATEMENT 2
DESCRIPTION			AMOUNT
ENTERTAINMENT			2,439.
GIFTS			68.
EXCLUDED MEALS EXPENSES			5,942.
TOTAL SCHEDULE K, LINE 20			8,449.



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APPORTIONMENT AND ALLOCATION

(For corporations and pass-through entities taxable both within and without Kentucky.)

2023

▶ Attach to Form 720, 720U (for entities using 3 - Factor Apportionment), PTE, or 725.

Name of Corporation or Pass-through Entity	Federal Identification Number	Kentucky Corporation/LEET Account Number
LEXINGTON BLUE, INC.	5063	514448

- ☐ Check the box and complete page 4, Apportionment and Allocation - Continuation Sheet: (i) if the corporation filing this tax return is a partner or member of a limited liability pass-through entity or general partnership doing business in Kentucky; or (ii) if the pass-through entity filing this tax return is a partner or member of a pass-through entity doing business in Kentucky; or (iii) if the corporation is filing an elective consolidated tax return per KRS 141.201.
- ☐ Check the box: (i) if the Department has granted written approval to use an alternative allocation and apportionment method per KRS 141.120 (12)(a), attach a copy of the approval letter to the tax return; or (ii) if the company has made an irrevocable five year election to use an allocation and apportionment method per KRS 141.121(4)(a), attach a copy of the election to the tax return.
- ☐ Check the box: (i) if the taxpayer departed from or modified the basis for excluding or including gross receipts in the receipts factor used in returns for prior years per 103 KAR 16:270, disclose the nature and extent of the modification; or (ii) if the returns or reports filed by the taxpayer with all states to which the taxpayer reports are not uniform in the inclusion or exclusion of gross receipts per 103 KAR 16:270, disclose the nature and extent of the variance.

PART I - COMPUTATION OF APPORTIONMENT FRACTION

Factor Computation

Percentages should be carried to four decimal places.

1	Kentucky receipts	▶ 1	5,871,122	00
2	Total receipts	▶ 2	6,299,919	00
3	Receipts factor (line 1 divided by line 2)	▶ 3	93.1936	%
4	Double-weighted receipts factor (line 3 multiplied by 2)	▶ 4	186.3872	%
5	Average value of Kentucky real/tangible property (Part III)	▶ 5	377,257	00
6	Average value of total real/tangible property (Part IV)	▶ 6	377,257	00
7	Property factor (line 5 divided by line 6)	▶ 7	100.0000	%
8	Kentucky payrolls	▶ 8	601,169	00
9	Total payrolls	▶ 9	652,344	00
10	Payroll factor (line 8 divided by line 9)	▶ 10	92.1552	%
11	Total (add lines 4, 7, and 10)	▶ 11	378.5424	%
12	Apportionment fraction - Use the 3 factor apportionment per KRS 141.121 (see instructions).	▶ 12	94.6356	%

**PART II - APPORTIONMENT AND ALLOCATION OF INCOME (FORM 720 ONLY)**

1 Net income (from Form 720, Part I, line 40)

▶ 1

00

2 Deduct non-apportionable income (if applicable):

(a) Interest

▶ 2(a)

00

(b) Rents

▶ (b)

00

(c) Royalties

▶ (c)

00

(d) Net gain or (loss) on sale or
exchange of capital assets

▶ (d)

00

(e) Total (lines (a) through (d))

▶ (e)

00

(f) Related expenses
(attach schedule)

▶ (f)

00

3 Net non-apportionable income (line 2(e) less line 2(f))

▶ 3

00

4 Apportionable income (line 1 less line 3)

▶ 4

00

5 Apportionable income apportioned to Kentucky (line 4
multiplied by Part I, line 3) (Entities under KRS 141.121,
see instructions)

▶ 5

00

6 Add Kentucky non-apportionable income (if applicable):

(a) Interest

▶ 6(a)

00

(b) Rents

▶ (b)

00

(c) Royalties

▶ (c)

00

(d) Net gain or (loss) on sale or
exchange of capital assets

▶ (d)

00

(e) Total (lines (a) through (d))

▶ (e)

00

(f) Kentucky related expenses
(attach schedule)

▶ (f)

00

7 Kentucky net non-apportionable income (line 6(e) less
line 6(f))

▶ 7

00

8 Taxable net income (line 5 plus line 7) (enter here and
on Form 720, Part I, line 41)

▶ 8

00

Schedule A (2023)

2 3 0 2 1 2 1 0 1 9

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PART III - TOTAL KENTUCKY REAL/TANGIBLE PROPERTY

PROPERTY		A. Beginning of Year		B. End of Year	
1	Inventories ▶ 1		00		00
2	Buildings ▶ 2	23,299	00	23,299	00
3	Machinery and equipment ▶ 3	26,259	00	26,259	00
4	Land ▶ 4		00		00
5	Other tangible assets ▶ 5	325,282	00	330,115	00
6	Total (lines 1 through 5) ▶ 6	374,840	00	379,673	00
7	Average value of real/tangible property owned in Kentucky, total of line 6, columns A and B divided by 2 ▶ 7			377,257	00
8	Leased property (Eight times the annual rental rate less subrentals) ▶ 8				00
9	Total (lines 7 and 8) (enter on Part I, line 5) ▶ 9			377,257	00

PART IV - TOTAL REAL/TANGIBLE PROPERTY

PROPERTY		A. Beginning of Year		B. End of Year	
1	Inventories ▶ 1		00		00
2	Buildings ▶ 2	23,299	00	23,299	00
3	Machinery and equipment ▶ 3	26,259	00	26,259	00
4	Land ▶ 4		00		00
5	Other tangible assets ▶ 5	325,282	00	330,115	00
6	Total (lines 1 through 5) ▶ 6	374,840	00	379,673	00
7	Average value of real/tangible property owned everywhere, total of line 6, columns A and B divided by 2 ▶ 7			377,257	00
8	Leased property (Eight times the annual rental rate less subrentals) ▶ 8				00
9	Total (lines 7 and 8) (enter on Part I, line 6) ▶ 9			377,257	00

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Form **4562****Depreciation and Amortization**
(Including Information on Listed Property)

OTHER

OMB No. 1545-0172

2023Attachment
Sequence No. **179**

Department of the Treasury

Internal Revenue Service

Go to www.irs.gov/Form4562 for instructions and the latest information.

Attach to your tax return.

Name(s) shown on return

Business or activity to which this form relates

Identifying number

LEXINGTON BLUE, INC.

OTHER DEPRECIATION

5063

Part I Election To Expense Certain Property Under Section 179 Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	100,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2022 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	
13	Carryover of disallowed deduction to 2024. Add lines 9 and 10, less line 12	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Don't include listed property. See instructions.)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2023	17	43,381.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here		

Section B - Assets Placed in Service During 2023 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property		4,833.	7 YRS	HY	M	691.
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	/		27.5 yrs.	MM	S/L	
	/		27.5 yrs.	MM	S/L	
i Nonresidential real property	/		39 yrs.	MM	S/L	
	/			MM	S/L	

Section C - Assets Placed in Service During 2023 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 30-year	/		30 yrs.	MM	S/L	
d 40-year	/		40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.	22	44,072.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Form 4562 (2023)

LEXINGTON BLUE, INC.

5063 Page 2

Part V **Listed Property** (Include automobiles, certain other vehicles, certain aircraft, and property used for entertainment, recreation, or amusement.)**Note:** For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.**Section A - Depreciation and Other Information** (Caution: See the instructions for limits for passenger automobiles.)**24a** Do you have evidence to support the business/investment use claimed? ☒ **Yes** ☐ **No** **24b** If "Yes," is the evidence written? ☒ **Yes** ☐ **No**

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
--	-------------------------------------	--	-------------------------------	--	---------------------------	------------------------------	----------------------------------	---------------------------------------

25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use **25****26** Property used more than 50% in a qualified business use:

	:	:	%					
	:	:	%					
	:	:	%					

27 Property used 50% or less in a qualified business use:

	:	:	%			S/L -		
	:	:	%			S/L -		
	:	:	%			S/L -		

28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 **28****29** Add amounts in column (i), line 26. Enter here and on line 7, page 1 **29****Section B - Information on Use of Vehicles**

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
30 Total business/investment miles driven during the year (don't include commuting miles)												
31 Total commuting miles driven during the year ...												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who aren't more than 5% owners or related persons.

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	Yes	No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use?		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," don't complete Section B for the covered vehicles.**Part VI** **Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
-----------------------------	------------------------------------	------------------------------	------------------------	---	--------------------------------------

42 Amortization of costs that begins during your 2023 tax year:

	:	:			
	:	:			

43 Amortization of costs that began before your 2023 tax year **43****44** **Total.** Add amounts in column (f). See the instructions for where to report **44**

K-1
(Form PTE)
Commonwealth of Kentucky
Department of Revenue

Document Page 44 of 125

OWNER'S SHARE OF
INCOME, CREDITS, DEDUCTIONS, ETC.**2023**

Owner's identifying number

8010

Pass-through Entity's FEIN

5063

Kentucky Corporation/LLET
Account Number

514448

Owner's name, address, and ZIP code

BRADLY J. PAGEL
1301 MUMFORD LANE
LEXINGTON, KY 40513-1743

Pass-through entity's name, address, and ZIP code

Check if applicable: ☐ Qualified investment pass-through entityLEXINGTON BLUE, INC.
287 PASADENA DRIVE
LEXINGTON, KY 40503

Type of Pass-through Entity Issuing the K-1

☐ Partnership☒ S-corporation☐ General Partnership

A (1) Partnerships Only: Partner's share of liabilities

Enter partner's
percentage of:(i) Before change
or termination

(ii) End of Year

Nonrecourse \$

Profit Sharing %

Qualified nonrecourse financing \$

Loss Sharing %

Other \$

Ownership of capital %

(2) S-corporations Only: Owner's percentage of stock ownership for tax year

100.000000 %

B (1) Resident owner's taxable percentage of pro rata share items

B(1)

100%

(2) Nonresident owner's taxable percentage of pro rata share items
(see Schedule A instructions)

B(2)

93.1936 %

C What type of entity is this owner?

☒ Individual ☐ Estate ☐ Trust ☐ Single Member LLC ☐ General Partnership ☐ Corporation
☐ S Corporation ☐ Other Pass-through Entity ☐ ESOP ☐ Tax Exempt

D Check the box if nonresident owner's income is reported on:

☐ Kentucky Nonresident Income Tax Withholding on Distributive Share Income Report
(Form 740NP-WH and Form PTE-WH)

E Check the box if applicable:

(1) ☐ Final K-1(2) ☐ Amended K-1**IMPORTANT:** Refer to Owner's Instructions for Schedule K-1 before entering information from Schedule K-1 on your tax return.**SECTION A****Pro Rata Share Items****Total Amount****Income (Loss) and Deductions**1 Kentucky ordinary income (loss) from trade or
business activities

▶ 1

<152,722> 00

2 Net income (loss) from rental real estate activities

▶ 2

00

3 Net income (loss) from other rental activities

▶ 3

00

4 Portfolio income (loss):

(a) Interest income

▶ 4(a)

4,055 00

(b) Dividend income

▶ 4(b)

00

(c) Royalty income

▶ 4(c)

00

(d) Net short-term capital gain (loss)

▶ 4(d)

00

(e) Net long-term capital gain (loss)

▶ 4(e)

00

(f) Other portfolio income (loss) (attach schedule)

▶ 4(f)

00

SCHEDULE K-1
(FORM PTE)
(2023)

Page 2 of 4

Income (Loss) and Deductions, continued

5	Partnerships only: Guaranteed payments to partners	▶ 5		00
6	IRC §1231 net gain (loss) (other than due to casualty or theft)	▶ 6		00
7	Other income (loss) (attach schedule)	▶ 7		00
8	Charitable contributions (attach schedule)	▶ 8	3,000	00
9	IRC §179 expense deduction (attach federal Form 4562 and Kentucky Form 4562)	▶ 9		00
10	Deductions related to portfolio income (loss) (attach schedule)	▶ 10		00
11	Other deductions (attach schedule)	▶ 11		00

Investment Interest

12	(a) Interest expense on investment debts	▶ 12(a)		00
	(b) (1) Investment income included on lines 4(a), 4(b), 4(c), and 4(f)	▶ b(1)	4,055	00
	(b) (2) Investment expenses included on line 10	▶ b(2)		00

Tax Credits - Nonrefundable (see instructions)

13	Enter the applicable tax credit			
	(a) ▶ _____	▶ 13(a)		00
	(b) ▶ _____	▶ 13(b)		00
	(c) ▶ _____	▶ 13(c)		00

General Partnerships Only - Tax Credits - Refundable

14	Certified rehabilitation tax credit (attach certification(s))	▶ 14		00
15	Kentucky Entertainment Incentive tax credit (attach certification(s))	▶ 15		00
16	Decontamination tax credit (attach certification(s))	▶ 16		00

Owner's identifying number

8010

Pass-through Entity's FEIN

5063

Kentucky Corporation/LLET
Account Number

514448

SCHEDULE K-1
(FORM PTE)
(2023)

Page 3 of 4

OWNER'S SHARE OF INCOME, CREDITS, DEDUCTIONS, ETC.

SECTION A - continued

Pro Rata Share Items

Total Amount

Other Items

17 (a) Type of IRC §59(e)(2) expenditures ▶			
(b) Amount of IRC §59(e)(2) expenditures ▶ 17(b)			00
18 Tax-exempt interest income ▶ 18			00
19 Other tax-exempt income ▶ 19			00
20 Nondeductible expenses STMT ▶ 20	8,449		00
21 Property distributions (including cash) other than dividend distributions reported to you on Form 1099-DIV ▶ 21	370,560		00
22 Supplemental information required to be reported to each owner (attach schedule) ▶ 22			00
23 S-corporations only: Total dividend distributions paid from accumulated earnings and profits ▶ 23			00

SECTION B - LLET Pass-through Items (Required)

OWNER'S SHARE

1 Kentucky gross receipts ▶ 1	5,871,122		00
2 Total gross receipts ▶ 2	6,299,919		00
3 Kentucky gross profits ▶ 3	1,943,222		00
4 Total gross profits ▶ 4	2,085,146		00
5 Limited liability entity tax (LLET) nonrefundable credit ▶ 5			00

SECTION C - Apportionment Pass-through Items

OWNER'S SHARE

1 Kentucky receipts ▶ 1	5,871,122		00
2 Total receipts ▶ 2	6,299,919		00

Owner's identifying number

8010

Pass-through Entity's FEIN

5063

Kentucky Corporation/LLET
Account Number

514448

SCHEDULE K-1
(FORM PTE)
(2023)

Page 4 of 4

OWNER'S SHARE OF INCOME, CREDITS, DEDUCTIONS, ETC.

SECTION D - 3 - Factor Apportionment (KRS 141.121) OWNER'S SHARE

1	Kentucky property	▶ 1	377,257	00
2	Total property	▶ 2	377,257	00
3	Kentucky payroll	▶ 3	601,169	00
4	Total payroll	▶ 4	652,344	00

SECTION E - Resident Shareholder Adjustment

1	Combination of Kentucky Schedule K-1, Section A, lines 1 through 6, 9, and portions of lines 7 and 11. Add income amounts and subtract (loss) and deduction amounts (see instructions)	▶ 1	<148,667>	00
2	Combination of federal Schedule K-1, Form 1120S, lines 1 through 11, and portions of line 12 or federal Schedule K-1, Form 1065, lines 1 through 12, and portions of line 13. Add income amounts and subtract (loss) and deduction amounts (see instructions)	▶ 2	<125,556>	00
3	Enter the difference of lines 1 and 2 here and on appropriate line on Schedule M (see instructions)	▶ 3	<23,111>	00

Owner's identifying number

8010

Pass-through Entity's FEIN

5063

Kentucky Corporation/LLET
Account Number

514448

KY SCHEDULE K-1		NONDEDUCTIBLE EXPENSES
DESCRIPTION	AMOUNT	
ENTERTAINMENT	2,439.	
GIFTS	68.	
EXCLUDED MEALS EXPENSES	5,942.	
TOTAL TO SCHEDULE K-1, LINE 20	8,449.	

2023 TAX RETURN FILING INSTRUCTIONS

OHIO FORM IT 4708

FOR THE YEAR ENDING
DECEMBER 31, 2023

PREPARED FOR:

LEXINGTON BLUE, INC.
287 PASADENA DRIVE
LEXINGTON, KY 40503

PREPARED BY:

DEAN DORTON ALLEN FORD, PLLC
250 W. MAIN STREET STE. 1400
LEXINGTON, KY 40507

TO BE SIGNED AND DATED BY:

NOT APPLICABLE

AMOUNT OF TAX:

TOTAL TAX	\$	0
LESS: PAYMENTS AND CREDITS	\$	0
PLUS: OTHER AMOUNT	\$	0
PLUS: INTEREST AND PENALTIES	\$	0
NO PAYMENT REQUIRED	\$	

OVERPAYMENT:

NOT APPLICABLE

MAKE CHECK PAYABLE TO:

NOT APPLICABLE

MAIL TAX RETURN TO:

THIS RETURN HAS QUALIFIED FOR ELECTRONIC FILING. PLEASE REVIEW YOUR RETURN FOR COMPLETENESS AND ACCURACY. WE WILL THEN TRANSMIT YOUR RETURN ELECTRONICALLY TO THE OHDOT.

RETURN MUST BE MAILED ON OR BEFORE:

RETURN FEDERAL FORM 8879-CORP TO US AS SOON AS POSSIBLE.

SPECIAL INSTRUCTIONS:

ENCLOSED IS A COPY OF SCHEDULE K-1 TO BE DISTRIBUTED TO THE SHAREHOLDER.



Department of
Taxation

2023 Ohio IT 4708

Pass-Through Entity



23160185

Composite Income Tax Return

09 10 24

Use only black ink and UPPERCASE letters. Use whole dollars only. If the amount on a line is negative, place a "-" in the box provided.

Check here if amended return

Check here if final return

☒

Check here if federal
extension filed

Reporting Period Start Date

01 01 23

FEIN

5063

Entity Type:
(check only one)

☒

S corporation

Limited liability company

Partnership

Other

Reporting Period End Date

12 31 23

Name of pass-through entity

LEXINGTON BLUE INC

Address Check here if address changed

287 PASADENA DRIVE

City

LEXINGTON

State

KY

ZIP code

40503

Foreign State Code

Country Code

Foreign country (if the mailing address is outside the U.S.)

Foreign postal code

Number of investors

Ownership percentage

Total number of investors

1

included on return

1

of investors on return

1.0000

Apportionment ratio, line 6

0.056528

Ohio charter or license no. (if S corp)

Questionnaire

Yes No

A. S Corporations: Did the S corp pay compensation to any nonresident investors or members of an investor's family? If YES, include a list of those individuals (including SSNs) and the amount of compensation paid

☒

B. Partnerships and LLCs: Did the Partnership or LLC make guaranteed payments to any nonresident investors or members of an investor's family? If YES, include a list of those individuals (with FEINs and SSNs) and the amount of guaranteed payment

☒

Schedule I - Taxable Income, Tax, Payments and Net Amount Due Calculations

1. Total income (loss) (from line 36)	1.	-	122333
2. Total deductions (from line 41)	2.		
3. Income to be allocated and apportioned (line 1 minus line 2)	3.	-	122333
4. Net allocable nonbusiness income	4.		
5. Apportionable income (line 3 minus line 4)	5.	-	122333
6. Ohio apportionment ratio (from line 45)	6.		0.056528
7. Income apportioned to Ohio (line 5 times line 6)	7.	-	6915
8. Net nonbusiness income allocated to Ohio and gain (loss) apportioned to Ohio per R.C. section 5747.212. (Include explanation and supporting schedules.)	8.		
9. Ohio taxable income (add lines 7 and 8, if negative, enter zero)	9.		



MM DD YY CODE



2023 IT 4708



FEIN

5063

Schedule I - Taxable Income, Tax, Payments and Net Amount Due Calculations...cont.

10. Tax liability before credits (see instructions for tax rate) 10.
11. Nonrefundable business credits (include Schedule E) 11.
12. Tax liability after nonrefundable business credits. (Line 10 minus line 11. If negative, enter zero) 12.
13. Interest penalty on underpayment of estimated tax (include Ohio IT/SD 2210) 13.
14. Ohio IT 4708 estimated (UPC/electronic) payments for the taxable year 14.
15. Ohio IT 1140 estimated (UPC/electronic) payments, IT 4738 estimated (UPC/electronic) payments and prior year IT 1140 or IT 4738 overpayment claimed on this return (see instructions) 15.
16. Ohio IT 4708 estimated (UPC/electronic) payments claimed on an IT 1140 instead of this return (see instructions if amending) 16.
17. Total net Ohio estimated tax payments for 2023 (sum of lines 14 and 15 minus line 16) 17.
18. Prior year IT-4708 overpayment credited to 2023 (see 2022 Ohio IT 4708, line 22) 18.
19. Total refundable business credits (from line 52) 19.
20. Total Ohio tax payments (add lines 17, 18 and 19) 20.
21. Overpayment (line 20 minus sum of lines 12 and 13; If negative, enter zero) 21.
- If line 21 is a positive amount, continue to line 22. OTHERWISE, continue to line 24.**
22. Amount of line 21 to be CREDITED toward next year's liability
(if this is an amended return, enter zero) CREDIT CARRYFORWARD 22.
23. Amount of line 21 to be REFUNDED (line 21 minus line 22) REFUND 23.
24. Net amount due (sum of lines 12 and 13 minus line 20, if negative, enter zero) 24.
25. Interest due on late payment of tax (see instructions) 25.
26. Total amount due (add lines 24 and 25). Make check payable to Ohio Treasurer of State, include Ohio IT 4708 UPC and write FEIN on check AMOUNT DUE ► 26.

If your refund is \$1.00 or less, no refund will be issued. If you owe \$1.00 or less, no payment is necessary.

Sign Here (required): I have read this return. Under penalties of perjury, I declare that, to the best of my knowledge and belief, the return and all enclosures are true, correct and complete.

BRADLY J PAGEL

Pass-through entity officer or agent (print)

PRESIDENT

859-368-6346

Title of officer or agent (print)

Phone number

Signature of pass-through entity officer or agent

Date (MM/DD/YY)

BRANDI N GILLEN

859-255-2341

Preparer's name (print)

Phone number

BGILLEN@DEANDORTON.COM

PTIN P 00659847

Preparer's e-mail address

Check here to authorize your preparer to discuss this return with the Department

X

Do not staple or paper clip.

Place any supporting documents, including Ohio IT K-1s, after the last page of this return.

Mail to:
Ohio Dept. of Taxation
P.O. Box 181140
Columbus, OH 43218-1140

Instructions for this form are
 available at tax.ohio.gov





2023 IT 4708



FEIN

5063

Schedule II - Income and Adjustments

Amounts reflected in Schedule II and Schedule III are the combined amounts from the federal Schedule K-1s for the taxable year for only those investors who are participating in the filing of this return. **Include with this return a copy of the applicable federal 1120S or 1065 and K-1s of participating investors.**

27. Ordinary business income (loss)	27. -	129611
28. Related member adjustments for expenses or losses incurred by the taxpayer	28.	
29. Guaranteed payments that the pass-through entity made to each investor participating in the filing of this return if such investor directly or indirectly owns at least 20% of the pass-through entity	29.	
30. Compensation that the pass-through entity paid to each investor participating in the filing of this return if such investor directly or indirectly owns at least 20% of the pass-through entity. Reciprocity agreements do not apply	30.	
31. Net income (loss) from rental activities other than amount shown on line 27	31.	
32a Interest income	32a.	4055
32b Dividends	32b.	
32c Royalties	32c.	
32d Net short-term capital gain (loss)	32d.	
32e Net long-term capital gain (loss). Exclude from this line any capital loss carryforward amount. Note: If adding lines 32d and 32e results in a net loss, the net allowable loss for the sum of these two lines cannot exceed the product of \$3,000 and the number of participating investors included in this return	32e.	
32f Reserved	32f.	
33. Net gain (loss) under IRC § 1231	33.	
34. IRC § 168(k) bonus depreciation and § 179 expense add-back. Complete Schedule VI	34.	3223
	STMT 2	
2/3 ☒ 5/6 6/6 (check applicable box)		
35. Other income or deduction and federal conformity additions (include explanation and supporting schedule)	35.	
36. Total income (loss) (add lines 27-35; enter here and on line 1)	36. -	122333



OH IT 4708 LIST OF PARTICIPATING INVESTORS		STATEMENT 1
PARTICIPATING INVESTOR'S NAME	TAXABLE INCOME	EFFECTIVE RATIO <INV/TOTAL)
BRADLY J. PAGEL	-122,333.	0
	-122,333.	0

OHIO IT 4708 BONUS AND SECTION 179 DEPRECIATION ADDBACK BEFORE DISTRIBUTION TO INVESTORS		STATEMENT 2
		CURRENT YEAR
I.R.C. 168(K) BONUS DEPRECIATION		3,867.
I.R.C. 179 DEPRECIATION		
TOTAL DEPRECIATION		3,867.
METHOD USED TO COMPUTE THE DEPRECIATION ADDBACK		5/6
TOTAL I.R.C 168(K) BONUS AND I.R.C 179 DEPRECIATION ADDBACK		3,223.
PERCENTAGE OF ALL PARTICIPATING INVESTORS		1.0000000
TOTAL I.R.C 168(K) BONUS AND I.R.C 179 DEPRECIATION ADDBACK TO IT 4708, SCHEDULE II, LINE 34		3,223.



2023 IT 4708



FEIN

5063

Schedule III - Deductions

List only those deductions that have not already been used to reduce any income items included on Schedule II.

37. IRC §179 expense not deducted in calculating line 27 37.

38. Deduction of prior year IRC §168(k) bonus depreciation and §179 expense add-backs (complete Schedule VI) 38.

39. Net federal interest/dividends exempt from state taxation & federal conformity adjustments 39.

40. Exempt gains from the sale of Ohio state or local government bonds 40.

41. Total deductions (add lines 37-40; enter here and on line 2) 41.

Schedule IV - Apportionment WorksheetUse this schedule to calculate the apportionment ratio for a pass-through entity that is not a financial institution. Financial institutions should refer to page 14 of the instructions. **Note:** Carry all ratios to six decimal places.

42. Property

Within Ohio

Total Everywhere

a) Owned (original cost)

379674

Within Ohio

Total Everywhere

b) Rented (annual rental x 8)

Within Ohio

Total Everywhere

c) Total (lines 42a and 42b)

379674

	Ratio	÷	Weight		Weighted Ratio
=			x 0.20	=	

43. Payroll

Within Ohio

Total Everywhere

51175

652344

	Ratio	÷	Weight		Weighted Ratio
=	0.078448		x 0.20	=	0.015690

44. Sales

Within Ohio

Total Everywhere

428797

6299920

	Ratio	÷	Weight		Weighted Ratio
=	0.068064		x 0.60	=	0.040838

45. Ohio apportionment ratio (add lines 42c, 43 and 44). Enter ratio here and on line 6 45. 0.056528

Note: If the "Total Everywhere" of any factor is zero, the weight given to the other factors must be proportionately increased so that the total weight given to the combined number of factors used is 100%, i.e., if no property/payroll, use 25% and 75%; if no sales, use 50% property/payroll; if only one factor, use 100%.





2023 IT 4708



23160585

FEIN

5063

Schedule V - Refundable Business Credits**Note:** Certificates from the Ohio Department of Development and/or Ohio IT K-1s must be included to verify each refundable credit claimed.

46. Refundable Ohio historic preservation credit (include a copy of the credit certificate) 46.
47. Refundable job creation credit and job retention credit (include a copy of the credit certificate) 47.
48. Pass-through entity credit (include a copy of the Ohio IT K-1) 48.
49. Venture capital credit (include a copy of the credit certificate) 49.
50. Motion picture/ Broadway theatrical production credit (include a copy of the credit certificate) 50.
51. Reserved 51.
52. Total refundable business credits (add lines 46-50; enter here and on line 19) 52.

Schedule VI - IRC § 168K Bonus Depreciation and § 179 Expense Add-back Schedule

Check the box if partial or full depreciation add-back has been waived.

53. Current year IRC §168(k) bonus depreciation and §179 expense add-back 53. 3223
54. Prior years add-back amount and applicable add-back ratio

	Column (A) - Amount	Column (B) - Ratio		
54a. Year Prior		2/3	5/6	6/6
54b. 2 Years Prior		2/3	5/6	6/6
54c. 3 Years Prior		2/3	5/6	6/6
54d. 4 Years Prior		2/3	5/6	6/6
54e. 5 Years Prior		2/3	5/6	6/6

Schedule VII - Investor Information

First list the investors whose income is included on this return in order from highest to lowest ownership percentage. Then list all remaining investors from highest to lowest ownership percentage. Use an additional sheet, if necessary.

☒ Check here if the investor is included on the return.

SSN	FEIN	Percent of ownership	Share of PTE tax (tax credit)
8010		1.0000	0
First name/entity	M.I.	Last name	
BRADLY	J	PAGEL	
Address			
1301 MUMFORD LANE			
City	State	ZIP code	
LEXINGTON	KY	40513	





2023 IT 4708



23160685

5063

Schedule VII - Investor Information...cont.

Check here if the investor is included on the return.

SSN	FEIN	Percent of ownership	Share of PTE tax (tax credit)
First name/entity	M.I.	Last name	
Address			
City	State	ZIP code	

Check here if the investor is included on the return.

SSN	FEIN	Percent of ownership	Share of PTE tax (tax credit)
First name/entity	M.I.	Last name	
Address			
City	State	ZIP code	

Check here if the investor is included on the return.

SSN	FEIN	Percent of ownership	Share of PTE tax (tax credit)
First name/entity	M.I.	Last name	
Address			
City	State	ZIP code	

Check here if the investor is included on the return.

SSN	FEIN	Percent of ownership	Share of PTE tax (tax credit)
First name/entity	M.I.	Last name	
Address			
City	State	ZIP code	





2023 IT 4708



5063

Schedule VII - Investor Information...cont.

Check here if the investor is included on the return.

SSN	FEIN	Percent of ownership	Share of PTE tax (tax credit)
First name/entity	M.I.	Last name	
Address			
City	State	ZIP code	

Check here if the investor is included on the return.

SSN	FEIN	Percent of ownership	Share of PTE tax (tax credit)
First name/entity	M.I.	Last name	
Address			
City	State	ZIP code	

Check here if the investor is included on the return.

SSN	FEIN	Percent of ownership	Share of PTE tax (tax credit)
First name/entity	M.I.	Last name	
Address			
City	State	ZIP code	

Check here if the investor is included on the return.

SSN	FEIN	Percent of ownership	Share of PTE tax (tax credit)
First name/entity	M.I.	Last name	
Address			
City	State	ZIP code	





2023 IT 4708



23160885

FEIN

5063

Schedule VII - Investor Information...cont.

Check here if the investor is included on the return.

SSN	FEIN	Percent of ownership	Share of PTE tax (tax credit)
First name/entity	M.I.	Last name	
Address			
City	State	ZIP code	

Check here if the investor is included on the return.

SSN	FEIN	Percent of ownership	Share of PTE tax (tax credit)
First name/entity	M.I.	Last name	
Address			
City	State	ZIP code	

Check here if the investor is included on the return.

SSN	FEIN	Percent of ownership	Share of PTE tax (tax credit)
First name/entity	M.I.	Last name	
Address			
City	State	ZIP code	





Department of
Taxation

Rev. 10/25/23

2023
Ohio IT K-1



10211411

Use only black ink and UPPERCASE letters.

Part I - Investor / Owner / Beneficiary and Entity Information

For calendar year 2023 or taxable year beginning _____ and ending _____

☐ Amended K-1

Pass-through entity / Fiduciary filing: ☐ IT 1140 ☒ IT 4708 ☐ IT 4738 ☐ Other

Investor's / owner's / beneficiary's SSN / FEIN 8010

Investor's / owner's / beneficiary's name and address

BRADLY J. PAGEL

1301 MUMFORD LANE

LEXINGTON, KY 40513-1743

Foreign State Code _____ Country Code _____

Entity FEIN 5063 NAICS code 236110

Entity name and address Entity type S-CORPORATION

LEXINGTON BLUE, INC.

287 PASADENA DRIVE

LEXINGTON, KY 40503

Foreign State Code _____ Country Code _____

Ownership %

	Beginning	Ending
Profit-sharing	<u>100.000000</u> %	<u>100.000000</u> %
Loss-sharing	<u>100.000000</u> %	<u>100.000000</u> %
Ownership of capital	<u>100.000000</u> %	<u>100.000000</u> %

Beneficiary's income distribution % (trust/estates only) _____ %

Apportionment Ratio

	Within Ohio	Total Everywhere
Property	<u>0</u> /	<u>379674</u>
Payroll	<u>51175</u> /	<u>652344</u>
Sales	<u>428797</u> /	<u>6299920</u>
Total apportionment ratio	<u>0.056528</u>	

Part II - Investor's / Owner's / Beneficiary's Ohio Depreciation Adjustments

1a. Current year IRC §168(k) bonus depreciation & §179 expense (fraction used 5/6) 1a. Total 3223 Ohio 182

b. Total deduction of prior year IRC §168(k) bonus depreciation & §179 expense Ohio add-backs 1b. _____

Prior year Ohio add-backs and related year deduction						
Year and add-back fraction	20 /	20 /	20 /	20 /	20 /	20 /
Add-back amount						
Related deduction						

Part III - Investor's / Owner's / Beneficiary's Share of Ohio Income

	Total	Ohio
2a. Pass-through entity / electing pass-through entity / trust & estate income	<u>-125556</u>	<u>-7097</u>
b. Guaranteed payments or compensation (20% or greater investors only)	<u></u>	<u></u>
c. Net Ohio depreciation adjustment	<u>3223</u>	<u>182</u>
d. Total taxable income (sum of 2a through 2c for each column)	<u>-122333</u>	<u>-6915</u>

Part IV - Investor's / Owner's / Beneficiary's Share of Ohio Tax Credits

3. Direct pass-through entity credit (Ohio tax paid by this entity after nonrefundable business credits and refunds) 3. _____

3a. Total amount to be added back from direct tax paid on an IT 4738 (Line 1 of the EPTE Add-back Schedule) 3a. _____

3b. Total amount to be added back from direct entity tax paid to other states (Line 1 of the EPTE Add-back Schedule) 3b. _____

4. Indirect pass-through entity credits or withholding (attach IT K-1/W2/1099) 4. _____

Include the FEIN for any indirect pass-through entities _____

4a. Total amount to be added back from indirect tax paid on an IT 4738 (Line 2 of the EPTE Add-back Schedule) 4a. _____

4b. Total amount to be added back from indirect entity tax paid to other states (Line 2 of the EPTE Add-back Schedule) 4b. _____

5. Refundable job creation credit & job retention credit (include certificates) - % of credit claimed _____ % 5. _____

6. Refundable Ohio historic preservation credit (include certificates) - % of credit claimed _____ % 6. _____

7. Venture capital credit (include certificates) 7. _____

8. Motion picture & Broadway theatrical production credit (include certificates) - % of credit claimed _____ % 8. _____

9. Nonrefundable business credits (include certificates) 9. _____

List the specific credit _____

Part V - Supplemental Information



**Department of
Taxation**

Ohio IT K-1 EPTE Add-back Schedule



10211411

Attach this schedule to the Ohio IT K-1 to report the tax paid by this entity or by an electing pass-through entity directly or indirectly owned by this entity on the Ohio IT 4738, Electing Pass-Through Entity Income Tax Return and/or on another states entity income tax return. Include the electing pass-through entity tax paid (IT 4738 payments submitted) and income tax paid to other states in this schedule if it was included as a specified income tax payment and reflected in the partner's or shareholder's distributive or pro-rata share of non-separately stated income or loss reported on IRS Schedule K-1 or a similar form pursuant to IRS Notice 2020-75 or any similar guidance issued by the Internal Revenue Service.

An individual taxpayer is required to add back their proportionate share of IT 4738 and other states entity taxes paid on the IT 1040, Ohio Schedule of Adjustments, if not included in federal or Ohio adjusted gross income. A trust or estate is required to add back its proportionate share of IT 4738 and other states entity taxes paid on the IT 1041, Schedule II, if not included in federal or Ohio taxable income. Reporting this information to your partners or shareholders will assist in the proper determination of the add-back.

See R.C. 5747.01(A)(36), (A)(41), (S)(15), and (S)(16).

Line 1: Ohio IT 4738 and other states specified income tax payments reported by this entity for federal income tax purposes:

FEIN:	Direct IT 4738 Tax Paid:	Enter on line 3a of the Ohio IT K-1
	Direct Tax Paid to Other States:	Enter on line 3b of the Ohio IT K-1

Line 2: Ohio IT 4738 and other states specified income tax payments reported by an entity directly or indirectly owned by this entity for federal income tax purposes:

FEIN:	Indirect Tax Paid:	
	Indirect Tax Paid to Other States:	
FEIN:	Indirect Tax Paid:	
	Indirect Tax Paid to Other States:	
FEIN:	Indirect Tax Paid:	
	Indirect Tax Paid to Other States:	
FEIN:	Indirect Tax Paid:	
	Indirect Tax Paid to Other States:	
	Indirect Tax Paid:	
	Indirect Tax Paid to Other States:	
	Total Indirect IT 4738 Tax Paid:	Enter on line 4a of the Ohio IT K-1
	Total Indirect Tax Paid to Other States:	Enter on line 4b of the Ohio IT K-1

Line 3: Ohio IT 4738 and other states specified income tax payments reported by this entity for federal income tax purposes:

Total IT 4738 Tax Paid:

Line 4: Other states specified income tax payments reported by this entity or an entity directly or indirectly owned by this entity for federal income tax purposes:

2024 TAX RETURN FILING INSTRUCTIONS

KENTUCKY TANGIBLE FORM 62A500 - FAYETTE COUNTY

FOR THE YEAR ENDING
DECEMBER 31, 2023

PREPARED FOR:

LEXINGTON BLUE, INC.
287 PASADENA DRIVE
LEXINGTON, KY 40503

PREPARED BY:

DEAN DORTON ALLEN FORD, PLLC
250 W. MAIN STREET STE. 1400
LEXINGTON, KY 40507

TO BE SIGNED AND DATED BY:

THE APPROPRIATE CORPORATE OFFICER(S).

AMOUNT OF TAX:

TOTAL TAX	\$	0
LESS: PAYMENTS AND CREDITS	\$	0
PLUS: OTHER AMOUNT	\$	0
PLUS: INTEREST AND PENALTIES	\$	0
NO PAYMENT REQUIRED	\$	

OVERPAYMENT:

NOT APPLICABLE

MAKE CHECK PAYABLE TO:

NOT APPLICABLE

MAIL TAX RETURN TO:

FAYETTE COUNTY PVA OFFICE
101 E VINE ST., SUITE 600
PHOENIX BLDG. 6TH FLOOR
LEXINGTON, KY 40507

RETURN MUST BE MAILED ON OR BEFORE:

PLEASE MAIL AS SOON AS POSSIBLE.

SPECIAL INSTRUCTIONS:

62A500 (2-24)

2024

TANGIBLE PERSONAL PROPERTY TAX RETURN

Property Assessed January 1, 2024

Commonwealth of Kentucky
DEPARTMENT OF REVENUE
Station 32FOR OFFICIAL USE ONLY
County Code Locator Number

T _ _ _ / _ _ _ _

☐ **AMENDED RETURN**
Check box and see page 7
for specific instructions on
amended returns.

Forms filed on or before due date:

File the return with the PVA in the county of taxable situs.

Due Date:
Wednesday
May 15, 2024

MAY 2024						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

See pages 12 and 13 for a complete
list of PVA mailing addresses.

There is no filing extension for this return.

Check applicable box and write in ☒ Federal ID No. or ☐ Social Security No. 5063 2nd SSN if joint return	Name of Business LEXINGTON BLUE, INC.		Organization Type ☐ Individual 1 ☐ Joint (Co-Owners) 2 ☐ Partnership/LLP 3 ☒ Domestic Corp./LLC 4 ☐ Foreign Corp./LLC 5 ☐ Fiduciary - Bank 6 ☐ Fiduciary - Other 7
NAICS CODE 236110	Name of Taxpayer(s) LEXINGTON BLUE, INC.	Telephone Number (859) 368-6346	
Type of Business CONSTRUCTION	Mailing Address 287 PASADENA DRIVE		
Check if applicable Tangible in other KY counties? ☐	City or Town LEXINGTON		
Alternative valuation? ☐	State KY		
Final Return? ☐	ZIP Code 40503		
	Property Location (Number and Street or Rural Route, City) (Must List) REQUIRED 287 PASADENA DRIVE, LEXINGTON		
	Property is Located in FAYETTE County	For Official Use Only District Code _____ Type Return _____	
	Return cannot be transmitted electronically with income tax return.		

NOTE: Taxpayers who have property in more than one location must complete a separate form for each location.

FROM SCHEDULE A					FROM SCHEDULE B				
	Class	Original Cost	Reported Value	For Official Use Only		Class	Original Cost	Reported Value	For Official Use Only
11	I				21	I			
12	II				22	II			
13	III	54,391.	26,575.		23	III			
14	IV				24	IV			
15	V				25	V			
16	VI				26	VI			
17	Total	54,391.	26,575.		27	Total			
See pages 3 through 5 for instructions.					Taxpayer's Valuation		For Official Use Only		
31	Merchants Inventory								
32	Manufacturers Finished Goods								
33	Manufacturers Raw Materials/Goods in Process								
34	Motor Vehicles Held for Sale (dealers only) New Farm Machinery Held Under a Floor Plan New Boats and Marine Equipment Held Under a Floor Plan Salvage Titled Vehicles (insurance companies only) Recreational Vehicles Held in a Retailer's Inventory Biotechnology Products Held in a Warehouse (manufacturers and affiliates only) Nonferrous Metal Located in a Commodity Warehouse and Held on Warrant								
35	Goods Stored in Warehouse/Distribution Center (see instructions)								
36	Goods - In Transit (see instructions)								
37	Unmanufactured Tobacco Products not at Manufacturers Plant or in Hands of Grower or His Agent								
38	Other Unmanufactured Agricultural Products not at Manufacturers Plant or in Hands of Grower or His Agent								
39	Unmanufactured Agricultural Products at Manufacturers Plant or in Hands of Grower or His Agent/Industrial Revenue Bond Property Qualifying Voluntary Environmental Remediation Property								
60	Other Tangible Property (from Schedule C) (page 2)				361.				
81	Construction Work in Progress (manufacturing machinery)								
82	Construction Work in Progress (other tangible property)								
90	Recycling Machinery and Equipment								

Other Tangible Personalty Not Listed Elsewhere

	Description	Taxpayer's Value	For Official Use Only
Materials and Supplies	OFFICE SUPPLIES	361.	
Research Libraries			
Other Tangible Property			
Aircraft for Hire			
Documented Watercraft (commercial purposes)			
Precious Metals	Number of Ounces	Value Per Ounce December 31	
Gold			
Platinum			
Silver			
Other			
Total (enter this figure on Line Item 60)		361.	

Comments

Additional comments and/or information regarding alternative values may be provided by classification below:

Classification Type	Comments/Information

I declare, under the penalties of perjury, that this return (including any accompanying schedules and statements) is a correct and complete return; and that all my taxable property has been listed.

DEAN DORTON ALLEN FORD, PL

DEAN DORTON ALLEN FORD, PL
250 W. MAIN STREET STE. 14
LEXINGTON, KY 40507

Date _____

(859) 368-6346 SERVICE@LEXINGTONBLU 859-255-2341 BGILLEN@DEANDORTON.CO

Email Address of Preparer Other Than Taxpayer

1019

2024 Tangible Personal Property Subject to Full State and Local Rates
Factors change every year. Please use correct year factors.

CLASS I 5 Year Economic Life				CLASS II 6-8 Year Economic Life				CLASS III 9-11 Year Economic Life			
Age	Original Cost	Factor	Reported Value	Age	Original Cost	Factor	Reported Value	Age	Original Cost	Factor	Reported Value
1		.810		1		.867		1	4,833.	.911	4,403.
2		.514		2		.655		2		.770	
3		.369		3		.560		3	3,758.	.737	2,770.
4		.227		4		.410		4	16,805.	.605	10,167.
5		.100		5		.295		5		.488	
6		.100		6		.221		6	15,540.	.409	6,356.
7		.100		7		.162		7		.335	
8		.100		8		.100		8		.271	
9		.100		9		.100		9	13,455.	.214	2,879.
10		.100		10		.100		10		.175	
11		.100		11		.100		11		.100	
12		.100		12		.100		12		.100	
13		.100		13		.100		13		.100	
13+		.100		13+		.100		13+		.100	
Total									54,391.		26,575.

CLASS IV 12-14 Year Economic Life				CLASS V 15-18 Year Economic Life				CLASS VI Over 18 Year Economic Life			
Age	Original Cost	Factor	Reported Value	Age	Original Cost	Factor	Reported Value	Age	Original Cost	Factor	Reported Value
1		.934		1		.951		1		.968	
2		.836		2		.883		2		.934	
3		.785		3		.860		3		.907	
4		.734		4		.837		4		.893	
5		.626		5		.741		5		.879	
6		.555		6		.682		6		.841	
7		.482		7		.615		7		.788	
8		.411		8		.546		8		.726	
9		.344		9		.474		9		.656	
10		.297		10		.425		10		.611	
11		.254		11		.377		11		.563	
12		.217		12		.335		12		.519	
13		.191		13		.306		13		.493	
14		.100		14		.275		14		.460	
15		.100		15		.235		15		.408	
16		.100		16		.219		16		.396	
17		.100		17		.199		17		.374	
18		.100		18		.100		18		.363	
19		.100		19		.100		19		.347	
20		.100		20		.100		20		.340	
21		.100		21		.100		21		.316	
22		.100		22		.100		22		.293	
23		.100		23		.100		23		.268	
24		.100		24		.100		24		.249	
25		.100		25		.100		25		.230	
26		.100		26		.100		26		.210	
27		.100		27		.100		27		.100	
27+		.100		27+		.100		27+		.100	
Total											

1019

Factors change every year. Please use correct year factors.

CLASS I 5 Year Economic Life				CLASS II 6-8 Year Economic Life				CLASS III 9-11 Year Economic Life			
Age	Original Cost	Factor	Reported Value	Age	Original Cost	Factor	Reported Value	Age	Original Cost	Factor	Reported Value
1		.810		1		.867		1		.911	
2		.514		2		.655		2		.770	
3		.369		3		.560		3		.737	
4		.227		4		.410		4		.605	
5		.100		5		.295		5		.488	
6		.100		6		.221		6		.409	
7		.100		7		.162		7		.335	
8		.100		8		.100		8		.271	
9		.100		9		.100		9		.214	
10		.100		10		.100		10		.175	
11		.100		11		.100		11		.100	
12		.100		12		.100		12		.100	
13		.100		13		.100		13		.100	
13+		.100		13+		.100		13+		.100	
Total											

CLASS IV 12-14 Year Economic Life				CLASS V 15-18 Year Economic Life				CLASS VI Over 18 Year Economic Life			
Age	Original Cost	Factor	Reported Value	Age	Original Cost	Factor	Reported Value	Age	Original Cost	Factor	Reported Value
1		.934		1		.951		1		.968	
2		.836		2		.883		2		.934	
3		.785		3		.860		3		.907	
4		.734		4		.837		4		.893	
5		.626		5		.741		5		.879	
6		.555		6		.682		6		.841	
7		.482		7		.615		7		.788	
8		.411		8		.546		8		.726	
9		.344		9		.474		9		.656	
10		.297		10		.425		10		.611	
11		.254		11		.377		11		.563	
12		.217		12		.335		12		.519	
13		.191		13		.306		13		.493	
14		.100		14		.275		14		.460	
15		.100		15		.235		15		.408	
16		.100		16		.219		16		.396	
17		.100		17		.199		17		.374	
18		.100		18		.100		18		.363	
19		.100		19		.100		19		.347	
20		.100		20		.100		20		.340	
21		.100		21		.100		21		.316	
22		.100		22		.100		22		.293	
23		.100		23		.100		23		.268	
24		.100		24		.100		24		.249	
25		.100		25		.100		25		.230	
26		.100		26		.100		26		.210	
27		.100		27		.100		27		.100	
27+		.100		27+		.100		27+		.100	
Total											

Please check the appropriate box:

☐ Industrial Revenue Bond (IRB) ☐ Recycling Machinery & Equipment

Factors change every year. Please use correct year factors.

CLASS I 5 Year Economic Life				CLASS II 6-8 Year Economic Life				CLASS III 9-11 Year Economic Life			
Age	Original Cost	Factor	Reported Value	Age	Original Cost	Factor	Reported Value	Age	Original Cost	Factor	Reported Value
1		.810		1		.867		1		.911	
2		.514		2		.655		2		.770	
3		.369		3		.560		3		.737	
4		.227		4		.410		4		.605	
5		.100		5		.295		5		.488	
6		.100		6		.221		6		.409	
7		.100		7		.162		7		.335	
8		.100		8		.100		8		.271	
9		.100		9		.100		9		.214	
10		.100		10		.100		10		.175	
11		.100		11		.100		11		.100	
12		.100		12		.100		12		.100	
13		.100		13		.100		13		.100	
13+		.100		13+		.100		13+		.100	
Total											

CLASS IV 12-14 Year Economic Life				CLASS V 15-18 Year Economic Life				CLASS VI Over 18 Year Economic Life			
Age	Original Cost	Factor	Reported Value	Age	Original Cost	Factor	Reported Value	Age	Original Cost	Factor	Reported Value
1		.934		1		.951		1		.968	
2		.836		2		.883		2		.934	
3		.785		3		.860		3		.907	
4		.734		4		.837		4		.893	
5		.626		5		.741		5		.879	
6		.555		6		.682		6		.841	
7		.482		7		.615		7		.788	
8		.411		8		.546		8		.726	
9		.344		9		.474		9		.656	
10		.297		10		.425		10		.611	
11		.254		11		.377		11		.563	
12		.217		12		.335		12		.519	
13		.191		13		.306		13		.493	
14		.100		14		.275		14		.460	
15		.100		15		.235		15		.408	
16		.100		16		.219		16		.396	
17		.100		17		.199		17		.374	
18		.100		18		.100		18		.363	
19		.100		19		.100		19		.347	
20		.100		20		.100		20		.340	
21		.100		21		.100		21		.316	
22		.100		22		.100		22		.293	
23		.100		23		.100		23		.268	
24		.100		24		.100		24		.249	
25		.100		25		.100		25		.230	
26		.100		26		.100		26		.210	
27		.100		27		.100		27		.100	
27+		.100		27+		.100		27+		.100	
Total											

Please check the appropriate box:

☐ Industrial Revenue Bond (IRB) ☐ Recycling Machinery & Equipment

Factors change every year. Please use correct year factors.

CLASS I 5 Year Economic Life				CLASS II 6-8 Year Economic Life				CLASS III 9-11 Year Economic Life			
Age	Original Cost	Factor	Reported Value	Age	Original Cost	Factor	Reported Value	Age	Original Cost	Factor	Reported Value
1		.810		1		.867		1		.911	
2		.514		2		.655		2		.770	
3		.369		3		.560		3		.737	
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7		.100		7		.162		7		.335	
8		.100		8		.100		8		.271	
9		.100		9		.100		9		.214	
10		.100		10		.100		10		.175	
11		.100		11		.100		11		.100	
12		.100		12		.100		12		.100	
13		.100		13		.100		13		.100	
13+		.100		13+		.100		13+		.100	
Total											

CLASS IV 12-14 Year Economic Life				CLASS V 15-18 Year Economic Life				CLASS VI Over 18 Year Economic Life			
Age	Original Cost	Factor	Reported Value	Age	Original Cost	Factor	Reported Value	Age	Original Cost	Factor	Reported Value
1		.934		1		.951		1		.968	
2		.836		2		.883		2		.934	
3		.785		3		.860		3		.907	
4		.734		4		.837		4		.893	
5		.626		5		.741		5		.879	
6		.555		6		.682		6		.841	
7		.482		7		.615		7		.788	
8		.411		8		.546		8		.726	
9		.344		9		.474		9		.656	
10		.297		10		.425		10		.611	
11		.254		11		.377		11		.563	
12		.217		12		.335		12		.519	
13		.191		13		.306		13		.493	
14		.100		14		.275		14		.460	
15		.100		15		.235		15		.408	
16		.100		16		.219		16		.396	
17		.100		17		.199		17		.374	
18		.100		18		.100		18		.363	
19		.100		19		.100		19		.347	
20		.100		20		.100		20		.340	
21		.100		21		.100		21		.316	
22		.100		22		.100		22		.293	
23		.100		23		.100		23		.268	
24		.100		24		.100		24		.249	
25		.100		25		.100		25		.230	
26		.100		26		.100		26		.210	
27		.100		27		.100		27		.100	
27+		.100		27+		.100		27+		.100	
Total											

Please check the appropriate box:

☐ Industrial Revenue Bond (IRB) ☐ Recycling Machinery & Equipment

Factors change every year. Please use correct year factors.

CLASS I 5 Year Economic Life				CLASS II 6-8 Year Economic Life				CLASS III 9-11 Year Economic Life			
Age	Original Cost	Factor	Reported Value	Age	Original Cost	Factor	Reported Value	Age	Original Cost	Factor	Reported Value
1		.810		1		.867		1		.911	
2		.514		2		.655		2		.770	
3		.369		3		.560		3		.737	
4		.227		4		.410		4		.605	
5		.100		5		.295		5		.488	
6		.100		6		.221		6		.409	
7		.100		7		.162		7		.335	
8		.100		8		.100		8		.271	
9		.100		9		.100		9		.214	
10		.100		10		.100		10		.175	
11		.100		11		.100		11		.100	
12		.100		12		.100		12		.100	
13		.100		13		.100		13		.100	
13+		.100		13+		.100		13+		.100	
Total											

CLASS IV 12-14 Year Economic Life				CLASS V 15-18 Year Economic Life				CLASS VI Over 18 Year Economic Life			
Age	Original Cost	Factor	Reported Value	Age	Original Cost	Factor	Reported Value	Age	Original Cost	Factor	Reported Value
1		.934		1		.951		1		.968	
2		.836		2		.883		2		.934	
3		.785		3		.860		3		.907	
4		.734		4		.837		4		.893	
5		.626		5		.741		5		.879	
6		.555		6		.682		6		.841	
7		.482		7		.615		7		.788	
8		.411		8		.546		8		.726	
9		.344		9		.474		9		.656	
10		.297		10		.425		10		.611	
11		.254		11		.377		11		.563	
12		.217		12		.335		12		.519	
13		.191		13		.306		13		.493	
14		.100		14		.275		14		.460	
15		.100		15		.235		15		.408	
16		.100		16		.219		16		.396	
17		.100		17		.199		17		.374	
18		.100		18		.100		18		.363	
19		.100		19		.100		19		.347	
20		.100		20		.100		20		.340	
21		.100		21		.100		21		.316	
22		.100		22		.100		22		.293	
23		.100		23		.100		23		.268	
24		.100		24		.100		24		.249	
25		.100		25		.100		25		.230	
26		.100		26		.100		26		.210	
27		.100		27		.100		27		.100	
27+		.100		27+		.100		27+		.100	
Total											

TAX RETURN FILING INSTRUCTIONS

LEXINGTON FORM 228

FOR THE YEAR ENDING
DECEMBER 31, 2023

PREPARED FOR:

LEXINGTON BLUE, INC.
287 PASADENA DRIVE
LEXINGTON, KY 40503

PREPARED BY:

DEAN DORTON ALLEN FORD, PLLC
250 W. MAIN STREET STE. 1400
LEXINGTON, KY 40507

TO BE SIGNED AND DATED BY:

THE APPROPRIATE CORPORATE OFFICER(S).

AMOUNT OF TAX:

TOTAL TAX	\$	200
LESS: PAYMENTS AND CREDITS	\$	100
PLUS: OTHER AMOUNT	\$	0
PLUS: INTEREST AND PENALTIES	\$	31
BALANCE DUE	\$	131

OVERPAYMENT:

NOT APPLICABLE

MAKE CHECK PAYABLE TO:

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT

MAIL TAX RETURN TO:

LEXINGTON DIVISION OF REVENUE
LEXINGTON-FAYETTE URBAN COUNTY GOVT
P.O. BOX 14058
LEXINGTON, KY 40512

RETURN MUST BE MAILED ON OR BEFORE:

SEPTEMBER 16, 2024

SPECIAL INSTRUCTIONS:

TAX RETURN FILING INSTRUCTIONS

BEREA FORM OL-S

FOR THE YEAR ENDING
DECEMBER 31, 2023

PREPARED FOR:

LEXINGTON BLUE, INC.
287 PASADENA DRIVE
LEXINGTON, KY 40503

PREPARED BY:

DEAN DORTON ALLEN FORD, PLLC
250 W. MAIN STREET STE. 1400
LEXINGTON, KY 40507

TO BE SIGNED AND DATED BY:

THE APPROPRIATE CORPORATE OFFICER(S).

AMOUNT OF TAX:

TOTAL TAX	\$	25
LESS: PAYMENTS AND CREDITS	\$	0
PLUS: OTHER AMOUNT	\$	0
PLUS: INTEREST AND PENALTIES	\$	0
BALANCE DUE	\$	25

OVERPAYMENT:

NOT APPLICABLE

MAKE CHECK PAYABLE TO:

TREASURER - CITY OF BERE, KY

MAIL TAX RETURN TO:

TREASURER - CITY OF BERE, KY
212 CHESTNUT STREET

BERE, KY, 40403

RETURN MUST BE MAILED ON OR BEFORE:

OCTOBER 15, 2024

SPECIAL INSTRUCTIONS:

TAX RETURN FILING INSTRUCTIONS

MADISON COUNTY FORM OL-S

FOR THE YEAR ENDING
DECEMBER 31, 2023

PREPARED FOR:

LEXINGTON BLUE, INC.
287 PASADENA DRIVE
LEXINGTON, KY 40503

PREPARED BY:

DEAN DORTON ALLEN FORD, PLLC
250 W. MAIN STREET STE. 1400
LEXINGTON, KY 40507

TO BE SIGNED AND DATED BY:

THE APPROPRIATE CORPORATE OFFICER(S).

AMOUNT OF TAX:

TOTAL TAX	\$	0
LESS: PAYMENTS AND CREDITS	\$	0
PLUS: OTHER AMOUNT	\$	0
PLUS: INTEREST AND PENALTIES	\$	0
NO PAYMENT REQUIRED	\$	

OVERPAYMENT:

NOT APPLICABLE

MAKE CHECK PAYABLE TO:

NOT APPLICABLE

MAIL TAX RETURN TO:

TREASURER - MADISON COUNTY, KY
PO BOX 547

RICHMOND, KY, 40476

RETURN MUST BE MAILED ON OR BEFORE:

OCTOBER 15, 2024

SPECIAL INSTRUCTIONS:

TAX RETURN FILING INSTRUCTIONS

RICHMOND FORM OL-S

FOR THE YEAR ENDING
DECEMBER 31, 2023

PREPARED FOR:

LEXINGTON BLUE, INC.
287 PASADENA DRIVE
LEXINGTON, KY 40503

PREPARED BY:

DEAN DORTON ALLEN FORD, PLLC
250 W. MAIN STREET STE. 1400
LEXINGTON, KY 40507

TO BE SIGNED AND DATED BY:

THE APPROPRIATE CORPORATE OFFICER(S).

AMOUNT OF TAX:

TOTAL TAX	\$	25
LESS: PAYMENTS AND CREDITS	\$	0
PLUS: OTHER AMOUNT	\$	0
PLUS: INTEREST AND PENALTIES	\$	0
BALANCE DUE	\$	25

OVERPAYMENT:

NOT APPLICABLE

MAKE CHECK PAYABLE TO:

TREASURER - CITY OF RICHMOND, KY

MAIL TAX RETURN TO:

TREASURER - CITY OF RICHMOND, KY
239 WEST MAIN STREET

RICHMOND, KY, 40475

RETURN MUST BE MAILED ON OR BEFORE:

OCTOBER 15, 2024

SPECIAL INSTRUCTIONS:

2023 TAX RETURN FILING INSTRUCTIONS

BOARD OF EDUCATION FORM 228-S

FOR THE YEAR ENDING
DECEMBER 31, 2023

PREPARED FOR:

LEXINGTON BLUE, INC.
287 PASADENA DRIVE
LEXINGTON, KY 40503

PREPARED BY:

DEAN DORTON ALLEN FORD, PLLC
250 W. MAIN STREET STE. 1400
LEXINGTON, KY 40507

TO BE SIGNED AND DATED BY:

THE APPROPRIATE CORPORATE OFFICER(S).

AMOUNT OF TAX:

TOTAL TAX	\$	0
LESS: PAYMENTS AND CREDITS	\$	0
PLUS: OTHER AMOUNT	\$	0
PLUS: INTEREST AND PENALTIES	\$	25
BALANCE DUE		25

OVERPAYMENT:

NOT APPLICABLE

MAKE CHECK PAYABLE TO:

FAYETTE COUNTY PUBLIC SCHOOLS (FCPS)

MAIL TAX RETURN TO:

FAYETTE COUNTY PUBLIC SCHOOLS
TAX COLLECTION OFFICE
P.O. BOX 55570
LEXINGTON, KY 40555-5570

RETURN MUST BE MAILED ON OR BEFORE:

SEPTEMBER 16, 2024

SPECIAL INSTRUCTIONS:

2023 TAX RETURN FILING INSTRUCTIONS

NICHOLASVILLE/JESSAMINE COUNTY NET PROFITS LICENSE FEE RETURN

FOR THE YEAR ENDING

DECEMBER 31, 2023

PREPARED FOR:

LEXINGTON BLUE, INC.
287 PASADENA DRIVE
LEXINGTON, KY 40503

PREPARED BY:

DEAN DORTON ALLEN FORD PLLC
250 W. MAIN STR, STE 1400
LEXINGTON, KY 40507

AMOUNT OF TAX:

TOTAL TAX	\$	0.00
LESS: PAYMENTS AND CREDITS	\$	
PLUS: INTEREST AND PENALTIES	\$	
BALANCE DUE	\$	0.00

OVERPAYMENT:

CREDITED TO YOUR ESTIMATED TAX	\$	
REFUNDED TO YOU	\$	

MAKE CHECK PAYABLE TO:

NOT APPLICABLE

MAIL TAX RETURN AND CHECK (IF APPLICABLE) TO:

JESSAMINE COUNTY TAX ADMINISTRATOR
OCCUPATIONAL TAX OFFICE
105 COURT ROW
NICHOLASVILLE, KY 40356



RETURN MUST BE MAILED ON OR BEFORE:

SEPTEMBER 16, 2024

SPECIAL INSTRUCTIONS:

THE APPROPRIATE CORPORATE OFFICER(S) SHOULD SIGN AND DATE THE RETURN.

Board of Education of Fayette County

FORM 228-S

FAYETTE COUNTY PUBLIC SCHOOLS

2023 Net Profits Occupational License Tax Return

Make check payable to:
Fayette County Public Schools (FCPS)Mail to:
Fayette County Public Schools
Tax Collection Office
P.O. Box 55570
Lexington, KY 40555-5570

DO NOT SEND CASH IN THE MAIL

Account Number

6427

Federal ID or SSN

5063

For Year Ending

A. Nature of business CONSTRUCTIONB. Date business started in Fayette County 01/21/2015

C. If organization was discontinued, state when

☐ Dissolution ☐ Sale Name of SuccessorD. Did you have employees in Fayette County in 2023? ☒ Yes ☒ NoE. Have federal authorities changed the net income as originally reported for any prior years? ☐ Yes ☒ NoIf yes, have amended returns been filed? ☐ Yes ☐ No

If no, attach schedule of changes for each year. Years

F. Please check box if business had no activity within Fayette County ☐G. Please indicate filing status per Federal return: ☐ Individual☐ Corporation ☒ S - Corp ☐ Partnership Other

H. Please check box if this return is:

☐ Initial ☐ Final ☐ AmendedLEXINGTON BLUE, INC.
287 PASADENA DRIVE
LEXINGTON, KY 40503

SECTION 1: CALCULATION OF LICENSE TAX LIABILITY

1. Adjusted Net Profit from applicable worksheet - see page 2 Attach applicable Federal Schedules	1.	-128,556.
2. Average allocation percentage (Section 2, Line 4, Column C)	2.	100.000000
3. Adjusted Net Profits (Line 1 X Line 2) <u>NONE</u>	3.	
4. License tax due (Line 3 X .005)	4.	
5. Less credits (attach schedule)	5.	
6. Subtotal (Line 4 - Line 5)	6.	
7. Interest (1% per month or portion of month)	7.	
8. Penalty (5% per month or portion thereof, not to exceed 25% minimum \$25)	8.	25.
9. Balance due (add lines 6 through 8)	9.	25.
10. Overpayment: <i>check preference</i> ☐ Refund ☐ Credit	10.	

SECTION 2: CALCULATION OF ALLOCATION PERCENTAGE

APPORTIONMENT FACTORS	Column A Urban Co. Factor	Column B Total Everywhere	Column C A/B = C
1. Sales factor (see instructions)	\$	\$	
2. Payroll factor (see instructions)	\$	\$	
3. Total percentage (add Column C, Lines 1 and 2)			
4. Average allocation percentage (Column C, Line 3 divided by number of factors). Enter on Line 2, Section 1			100.000000

This form must be filed and PAID IN FULL on or before April 15, 2024, or by the 15th day of the 4th month after close of fiscal year.

I hereby certify that the statements made herein and in any supporting schedules are true, correct, and complete to the best of my knowledge.

Preparer's Signature		RETURN MUST BE SIGNED	Signature of licensee	
Date			Date	
BRANDI N GILLEN				
859-255-2341				
Print Name			Print Name	
Phone No.			Title	

Net Profits Occupational License Tax Return
Worksheet 1 - Calculation of Adjusted Net Business Income

ENCLOSE ALL APPLICABLE FEDERAL FORMS AND SCHEDULES

Please complete the column that
 relates to your form of business

	Individual	Partnership	Corporation - S - Corporation	Other
1 Non-employee compensation from Form 1099-Misc reported as "other income" on federal Form 1040 (attach 1040 and 1099)		NA	NA	
2 Net profit or (loss) per Federal Schedule C or C-EZ of Federal Form 1040 (attach Form 1040, Schedule C or Schedule C-EZ)		NA	NA	
3 Rental Income or (loss) per Federal Schedule E of Form 1040 (attach Form 1040 and Schedule E)		NA	NA	
4 Net Farm Income or (loss) per Federal Schedule F of Federal Form 1040 (attach Form 1040 and Schedule F)		NA	NA	
5 Gain or (loss) on the sales of business property from Federal Form 4797 or Form 6252 reported on Schedule D of Form 1040 (attach Form 4797 or Form 6252)		NA	NA	
6 Ordinary business income or (loss) per Federal Form 1065 (attach Form 1065 and applicable schedules)	NA		NA	
7 Taxable income or (loss) per Federal Form 1120 or 1120A <u>OR</u> Ordinary income or (loss) per Federal Form 1120S (attach applicable forms; 1120, 1120A or 1120S and all applicable schedules)	NA	NA	-129,611.	
8 State and local license taxes or fees based on income deducted on Federal Schedule C, E, F, 1065, 1120, 1120A or 1120S (attach schedule)				
9 Additions from Schedule K of Federal Form 1065 or 1120S (attach Schedule K and applicable schedules)	NA STATEMENT 1		4,055.	
10 Net operating loss deduction from Form 1120	NA	NA		
11 Partner's Salaries from Form 1065 (if not added back on Line 9)	NA		NA	
12 Expenses associated with income not subject to the license tax (attach schedule)			0.	
13 Other Adjustments (attach schedule)	NA	NA		
14 Total Income (add Lines 1 through 13)			-125,556.	
15 Subtractions from Schedule K of Federal Form 1065 or Form 1120S (attach Schedule K and applicable schedules)	NA STATEMENT 2		3,000.	
16 Income included in Line 14 deemed not subject to the license tax (full explanation and schedule must be attached)				
17 Total Deductions (add Lines 15 and 16)			3,000.	
18 Adjusted Net Profit (Line 14 less Line 17) Enter result on Section 1, Line 1 of page 1			-128,556.	

KY 228S OTHER ADDITIONS FROM SCHEDULE K		STATEMENT 1
DESCRIPTION		AMOUNT
FEDERAL SCHEDULE K INTEREST INCOME		4,055.
TOTAL TO 228S WORKSHEET 1, LINE 9		4,055.

KY 228S OTHER SUBTRACTIONS FROM SCHEDULE K		STATEMENT 2
DESCRIPTION		AMOUNT
FEDERAL SCHEDULE K CHARITABLE CONTRIBUTIONS		3,000.
TOTAL TO 228S WORKSHEET 1, LINE 15		3,000.

FISCAL YEAR FILER

CALENDAR YEAR FILER

Lexington-Fayette Urban County Government

EXTENSION REQUEST

CHECK IF CHANGE IN ADDRESS IS BELOW

Name _____ Account Number:
Address _____ Tax Year:
City _____ State _____ ZIP _____
Phone _____ Ext _____

Each individual taxpayer or business entity registered with this agency for the purpose of reporting local occupational taxes must apply separately to this agency for an extension of time within which to file their local tax return. This application must be submitted by the **15th** day of the **fourth** month following the close of the tax year and allows a **six (6) month** extension of time in which to file the return.

Individual Social Security Number _____
Federal ID Number, if applicable _____

Office Use Only

An estimated payment of \$ _____ is enclosed.

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.

INTEREST - Full payment of tax due must be paid by the original due date of the return to avoid interest charges of 1% per month. Interest is assessed from the regular due date of the return until the tax due is fully paid.

NOTICE - CORPORATIONS AND PARTNERSHIPS: If this extension request is for a tax period of less than twelve (12) months, please indicate the reason below.

- [] Tax year end changed to: _____
[] Final return -- Business ceased: _____
[] Corporate Merger -- Short year return due to merger on _____ with:
 Name and address: _____
 Federal ID: _____
 After this short year return, our tax year will end on _____
[] Corporate Acquisition -- Short year return due to the acquisition on _____ by:
 Name and address: _____
 Federal ID: _____
 After this short year return, our tax year will end on _____
[] Other: (Please explain.) _____

Brandi Gillen

Signature of Preparer

Date

Print Name

MAIL TO: DIVISION OF REVENUE, PO BOX 3204, LEXINGTON, KY 40588

**LEXINGTON****LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT
2023 NET PROFITS LICENSE FEE RETURN - FORM 228**

Account Number	6427
Fiscal Year End	
Federal ID or SSN	5063

Check it: ☐ Initial ☐ Amended ☐ Final ☐ Address Change

LEXINGTON BLUE, INC.
287 PASADENA DRIVE
LEXINGTON, KY 40503

QUESTIONS (ANSWER FULLY)

- A. Nature of business: **CONSTRUCTION**
- B. Date business started in Fayette County: _____
- C. Did you have employees in Fayette County in 2023? ☒ Yes ☐ No
- D. Basis on which this return is prepared: ☒ Cash ☐ Accrual
- E. Filing status per federal return:
☐ Corporation ☒ S-Corp ☐ Partnership
☐ Individual Owner ☐ Other _____
- F. Is the business entity an affiliate or subsidiary of a consolidated federal return?
☐ Yes ☒ No
 If yes, FEIN of parent: _____
- G. If organization was discontinued, check appropriate box:
☐ Dissolution ☐ Sale ☐ Merger Date: _____
 Successor name, address and FEIN: _____

☐ **MINIMUM LICENSE FEE EXEMPTION**

The requirement for exemption is gross receipts from all Federal Form 1040 Schedules C, F & 1099-Misc EQUAL TO OR LESS THAN \$4400 and/or Schedule E gross rents LESS THAN \$50,000. (See Instructions). Attach all federal forms, sign and date this form, and return by April 15, 2024.

SECTION 1: CALCULATION OF LICENSE FEE LIABILITY

Office Use Only

1. Adjusted net business income from Worksheet 1, Line 19 (attach federal return and all schedules)	1.	-128,556.	
2. Apportionment percentage from Section 2, Line 4	2.	100.000000	
3. Net profit subject to license fee (Line 1 x Line 2)	3.	-128,556.	
4. Sole proprietors 65 or older deduct \$3,000.00 DOB	4.		
5. Adjusted net profit (Line 3 - Line 4) NONE	5.		
6. License fee liability (Line 5 x 2.25%). If less than \$100.00, enter \$100.00	6.	100.	
7. Less minimum license fee paid for 2023 (non-refundable)	7.	100.	
8. Subtotal (Line 6 - Line 7). Cannot be less than zero	8.		
9. Less estimated payments and prior year credits (attach schedule)	9.		
10. Subtotal (Line 8 - Line 9)	10.		
11. Plus minimum license fee due FOR 2024 (\$100.00)	11.	100.	
12. Net amount due (if < 0 enter amount here and on Line 15)	12.	100.	
13. Penalty and interest (see instructions) Penalty \$ <u>25.</u> Interest \$ <u>6.</u>	13.	31.	
14. Total amount due (Lines 12 + Line 13)	14.	131.	
15. Indicate amount of overpayment if any from Line 12	15.		
16. Amount on Line 15 to be refunded	16.		
17. Amount on Line 15 to be credited to 2024	17.		

Office Use Only

MAKE CHECK PAYABLE TO LFUCG
 Division of Revenue
 PO BOX 14058
 LEXINGTON KY 40512

I hereby certify that the statements made herein and in any supporting schedules are true, correct, and complete to the best of my knowledge.

Preparer's Signature (return must be signed above) _____ Date _____		Signature of Licensee(s) (return must be signed above) _____ Date _____	
BRANDI N GILLEN _____ 8252			
Print Name _____ PTIN or FEIN # _____		Print Name _____	
250 W. MAIN STREET STE. 1400			
LEXINGTON, KY 40507 859-255-2341		(859) 368-6346	
Address _____ Phone # _____		Title _____ Phone # _____	

ALL PTIN, FEIN#, AND SOCIAL SECURITY NUMBERS MUST BE SUPPLIED FOR BOTH THE TAX PREPARER AND LICENSEE(S)

This return must be filed and paid in full on or before the 15th day of the 4th month after close of Fiscal Year.

WORKSHEET 1 - Calculation of Adjustment Net Business Income

Please complete the column that relates to the business federal entity classification	Individual	Partnership	Corporation
1. Non-employee compensation as reported on Form 1099-Misc reported as other income on Federal Form 1040 (Attach federal schedules)			
2. Net profit or (loss) per Federal Schedule C of Form 1040 (Attach Form 1040 and applicable schedules)			
3. Capital gain from Federal Form 4797 or Form 6252 reported on Schedule D of Form 1040 (Attach federal schedules)			
4. Rental income or (loss) per Federal Schedule E of Form 1040 (Attach Form 1040 and applicable schedules)			
5. Net farm profit or (loss) per Federal Schedule F of Form 1040 (Attach Form 1040 and applicable schedules)			
6. Ordinary gain or (loss) on the sale of property used in a trade or business per Federal Form 4797 (Attach federal schedules)			
7. Ordinary income or (loss) per Federal Form 1065 (Attach Form 1065 and applicable schedules)			
8. Taxable income or (loss) per Federal Form 1120 or 1120A or Ordinary income or (loss) per Federal Form 1120S			-129,611.
9. State Income Taxes and Occupational License Fees deducted on the Federal Schedule C, E, F or Form 1065, 1120, 1120A or 1120S			
10. Additions from Schedule K of Form 1065 or Form 1120S	STATEMENT 19		4,055.
11. Net operating loss deducted on Form 1120			
12. Total Income - Add lines 1 through line 11			-125,556.
13. Subtractions from Schedule K of Form 1065 or Form 1120S	STATEMENT 20		3,000.
14. Alcoholic beverage sales reduction (Attach computation)			
15. Other Adjustments (Attach schedule) (See instructions)			
16. Non-Taxable Income (Attach schedule)			
17. Professional Expenses not reimbursed by the partnership (Attach schedule)			
18. Total Deductions - Add lines 13 through line 17			3,000.
19. Adjusted Net Profit - Subtract Line 18 from Line 12. Enter here and on line 1 of Section 1 on the front page.			-128,556.

SECTION 2: CALCULATION OF ALLOCATION PERCENTAGE

All licensees whose business operations were not conducted entirely within the Urban County must complete this section

Apportionment factors	Column A Within the Urban County	Column B Total Everywhere	Column C A/B=C
1. Sales factor (See instructions)	\$	\$	
2. Payroll factor (See instructions)	\$	\$	
3. Total percentages			%
4. Apportionment percentages (a. If your business had both factors then divide line 3 by two.) (b. If your business only had one factor then enter the single factor percentage here and Line 2, Section 1.)			100.000000%

KY 228 OTHER ADDITIONS FROM SCHEDULE K		STATEMENT 19
DESCRIPTION		AMOUNT
FEDERAL SCHEDULE K INTEREST INCOME		4,055.
TOTAL TO 228 WORKSHEET 1, LINE 10		4,055.

KY 228 SUBTRACTIONS FROM SCHEDULE K		STATEMENT 20
DESCRIPTION		AMOUNT
FEDERAL SCHEDULE K CHARITABLE CONTRIBUTIONS		3,000.
TOTAL TO 228 WORKSHEET 1, LINE 13		3,000.

Form **OL-S**
Single Tax District

Kentucky Local Standard

Document

Page 82 of 125

12/31/2023

Occupational License Fee Return

Print or Copy Single Side Only.

For Year Ending

Tax District Name (See instructions)

BEREA

Tax District Address

212 CHESTNUT STREET

BEREA, KY, 40403

Department Use Only - Do not write or staple in this space.

Taxpayer Name

LEXINGTON BLUE, INC.

Filing Status:

Trade Name

Filing Status Change? YES ☐ NO ☒

Address

287 PASADENA DRIVE

Address 2

City

LEXINGTON

State

KY

ZIP Code

40503

Tax District Account Number

Method of Accounting

☒ Fed ID☐ SSN

5063

☐ Accrual ☒ CashCheck one box only
Check all that apply

Individual Resident

Individual Non-Resident

Corporation

Partnership

☒ S Corp

Other

No Activity

Amended

Fed ID Change (Complete Line F)

Final (Complete Line G)

Name Change

Address Change

A Principal business activity

CONSTRUCTION

NAICS Code:

236110

B Did you have employees during the past year?

Number of employees who worked in this locality

YES ☐ NO ☒**C Did you make payments in the sum of \$600.00 or more for services rendered in this locality to any individual other than an employee? If "YES," submit copy of 1099s to local tax district.**YES ☒ NO ☐**D Did you file a consolidated C - Corporation federal return? If "YES," see instructions.**YES ☐ NO ☒**E During the past year, did IRS change or propose to change net income reported for that year or any prior year? If "YES," see instructions.**YES ☐ NO ☒

Which year(s)?

F If Federal ID changed, list the name of new entity:

Ownership Change Date:

G If final return, state reason for discontinuance:

Discontinuance Date:

List successor if sold:

H List Principal Administrative Officer's Name, Address, and Social Security Number:

Name

BRADLY J PAGEL

SSN:

8010

Address

1301 MUMFORD LANE

Address 2

City

LEXINGTON

State

KY

ZIP Code

40513-1743

Taxpayer Name LEXINGTON BLUE, INC. Tax District Name BEREA Tax District Account Number For Year Ending 12/31/2023	Department Use Only - Do not write or staple in this space.
---	---

Section 1: Occupational License Fee Calculation

1 Enter Adjusted Gross Receipts from Schedule G or Adjusted Net Profit from Schedule N	\$ -128,556 .00
2 Enter apportionment percentage or 100% from page 3, Section 2, Line 4.	.4990 %
3 Enter Taxable Gross Receipts or Net Profit (Line 1 X Line 2)	\$.00
4 License Fee (Line 3) X tax rate of 2.000000 % (See Instructions)	\$.00
5 If tax district has a minimum tax, enter here. (See Instructions)	\$ 25 .00
6 If tax district has a maximum tax, enter here. (See Instructions)	\$.00
7 Sub Total Amount: a. If the tax district does not have a minimum or maximum tax, enter value from line 4. b. If line 4 is less than 5, enter line 5 here. c. If line 6 is greater than zero and line 4 is greater than line 6, enter line 6 here.	\$ 25 .00
8 Enter Non-Refundable Credits. (See Instructions for those specific districts, e.g. Laurel County)	\$.00
9 Subtotal: Subtract line 8 from line 7. Cannot be less than zero.	\$ 25 .00
10 If applicable enter Line 6 from Schedule W.	\$.00
11 Subtotal: Add Line 9 and Line 10.	\$ 25 .00
12 Enter estimated payments and/or prior year credits.	\$.00
13 Occupational License Fee Due. (Subtract line 12 from line 11)	\$ 25 .00
14 Penalties - If applicable. (See Instructions)	\$.00
15 Interest - If applicable. (See Instructions)	\$.00
16 Additional fees due:	\$.00
STOP: Additional fees may apply per local tax district. See instructions for additional tax district amounts due, such as next year minimum, privilege taxes, or regulatory fees	
17 Total Amount Due. Add lines 13, 14, 15, and 16 (See above)	\$ 25 .00
18 Overpayment. If Line 17 is less than zero enter application of overpayment here.	Credit to next year: \$.00 Refund: \$.00

Taxpayer Name LEXINGTON BLUE, INC.	Department Use Only - Do not write or staple in this space.
Tax District Name BEREA	
Tax District Account Number 	
For Year Ending 12/31/2023	

Section 2: Apportionment Factors

Calculation of Apportionment Percentage - A taxpayer whose business activities were conducted in more than one tax district must complete this section.

Sales Factor (See instructions)	1a Sales/Gross Receipts within the Tax District	\$ 62,874 .00
	1b Total Sales/Gross Receipts everywhere	\$ 6,299,920 .00
	1c Divide Line 1a by Line 1b	.9980 %
Payroll Factor (See instructions)	2a Payroll within the Tax District	\$ 0 .00
	2b Total Payroll everywhere	\$ 652,344 .00
	2c Divide Line 2a by Line 2b	.0000 %
	3 Total Percentages (add line 1c + 2c)	.9980 %
	4 Apportionment Percentage - If both Lines 1(b) and 2(b) are greater than zero, divide entry on Line 3 by 2. Enter here, if either Line 1(b) or Line 2(b) is zero, enter the amount from Line 3 here. EXAMPLE: "22.12345%"	.4990 %

Section 3: Signature (return must be signed)

I hereby certify that the statements made herein and in any supporting schedules are true, correct and complete to the best of my knowledge under penalty of perjury.

PREPARER Print Name BRANDI N GILLEN Preparer's Signature Firm Name DEAN DORTON ALLEN FORD, PLLC TIN 8252 Date: Address 250 W. MAIN STREET STE. 1400 City LEXINGTON State KY ZIP Code 40507 Phone Number 859-255-2341	TAXPAYER Print Name BRADLY J PAGEL Taxpayer's Signature Title PRESIDENT SSN 8010 Date: Address 1301 MUMFORD LANE City LEXINGTON State KY ZIP Code 40513-1743 Phone Number 859-368-6346 Do you want to allow your tax preparer to discuss this return with the tax district agency? YES ☒ NO ☐
--	---

You must attach all applicable federal returns and schedules.

Taxpayer Name

LEXINGTON BLUE, INC.

Tax District Name

BEREA

Tax District Account Number

For Year Ending

12/31/2023

Department Use Only - Do not write or staple in this space.

Schedule N: Calculation of Adjusted Net Profit*** Note: Some districts do not allow multiple individual schedules on the same worksheet. (See Instructions). Applies to lines 1-6.**

1	* If an Individual , enter non-employee compensation as reported on Form 1099-MISC and reported as other income on Federal Form 1040 (Attach Form 1040 and applicable schedules)	\$		.00
2	* If an Individual , enter net profit or (loss) from Federal Schedule C of Form 1040 (Attach Form 1040 and applicable schedules)	\$		.00
3	* If an Individual , enter capital gain from Federal Form 4797 or Form 6252 from the sale of property used in a trade or business reported on Schedule D on Form 1040 (Attach Federal Schedules)	\$		.00
4	* If an Individual , enter rental income or (loss) from Federal Schedule E of Form 1040 (Attach Form 1040 and applicable schedules)	\$		.00
5	* If an Individual , enter farm net profit or (loss) from Federal Schedule F of Form 1040 (Attach Form 1040 and applicable schedules)	\$		.00
6	* If an Individual , enter ordinary gain or (loss) on the sale of property used in a trade or business per Federal Form 4797 (Attach Form 4797 and applicable schedules)	\$		.00
7	If a Partnership , enter ordinary income or (loss) from Federal Form 1065 (Attach Form 1065 and applicable schedules)	\$		.00
8	If a Corporation , enter taxable income or (loss) from Federal Form 1120S or ordinary income or (loss) per Federal Form 1120S (Attach applicable Federal Schedules)	\$	-129,611	.00
9	State income taxes and occupational license fees deducted on the Federal Schedules C, E or F, or Federal Form 1065, 1120 or 1120S	\$		.00
10	If a Partnership or S Corporation , enter additions from Schedules K on Form 1065 or Form 1120S * * SEE STATEMENT 21	\$	4,055	.00
11	If a Corporation , enter net operating loss deducted on Form 1120	\$		.00
12	Total Income. Add Line 1 through Line 11. (* See Note Above)	\$	-125,556	.00
13	If a Partnership or S Corporation , enter subtractions from Schedule K of Form 1065 or Form 1120S ** ** SEE STATEMENT 22	\$	3,000	.00
14	Alcoholic Beverage Sales Deduction (Line 5 from Schedule A)	\$		.00
15	Other Adjustments - Attach Schedule (See Instructions)	\$		.00
16	Total Deductions. Add Line 13 through Line 15	\$	3,000	.00
17	Adjusted Net Profit. Subtract Line 16 from Line 12. Enter here and on Page 2, Line 1	\$	-128,556	.00

Taxpayer Name LEXINGTON BLUE, INC. Tax District Name BEREA Tax District Account Number For Year Ending 12/31/2023	Department Use Only - Do not write or staple in this space.
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Schedule G: Calculation of Adjusted Gross Receipts

*** Note: Some tax districts do not allow multiple individual schedules on the same worksheet. (See Instructions). Applies to lines 1-5.**

1 * If an Individual, enter non-employee compensation as reported on Form 1099-MISC and reported as other income on Federal Form 1040 (Attach Form 1040 and applicable schedules)	\$.00
2 * If an Individual, enter gross receipts from Federal Schedule C of Form 1040 (Attach Form 1040 and applicable schedules)	\$.00
3 * If an Individual, enter capital gain from Federal Form 4797, Form 6252, and/or Schedule D for property used in a trade or business. (Attach Federal Schedules)	\$.00
4 * If an Individual, enter rental gross receipts from Federal Schedule E of Form 1040 (Attach Form 1040 and applicable schedules)	\$.00
5 * If an Individual, enter farm gross receipts from Federal Schedule F of Form 1040 (Attach Form 1040 and applicable schedules)	\$.00
6 If a Partnership, enter gross receipts from Federal Form 1065 (Attach Form 1065 and applicable schedules)	\$.00
7 If a Corporation, enter gross receipts from Federal Form 1120 per Federal Form 1120S (Attach 1120 or 1120S and applicable Federal Schedules)	\$.00
8 If a Corporation, enter gross receipts from "Gross Rents" from Federal Form 1120 (Attach Federal Form 1120)	\$.00
9 Gross Receipts from rental activity of a Partnership or S Corporation (Attach Federal Form 8825 and other applicable schedules)	\$.00
10 Total Gross Receipts. Add Line 1 through Line 9	\$.00
11 Gross Alcoholic Beverage Sales within the Tax District	\$.00
12 Sales Tax and Excise Tax included in Gross Receipts	\$.00
13 Returns and Allowances Deduction	\$.00
14 Total Deductions. Add Lines 11 through Line 13	\$.00
15 Adjusted Gross Receipts. Subtract Line 14 from Line 10. Enter here and on Page 2, Line 1	\$.00

Taxpayer Name

LEXINGTON BLUE, INC.

Tax District Name

BEREA

Tax District Account Number

For Year Ending

12/31/2023

Department Use Only - Do not write or staple in this space.

Schedule A: Calculation of Alcoholic Beverage Deduction (for use by Schedule N filers)

1	Kentucky Alcohol beverage sales	\$		.00
2	Total sales	\$		.00
3	Alcoholic Beverage percentage: Line 1 divided by Line 2			%
4	Adjusted Net Profit before Alcoholic Beverage Deduction Line 12 minus the sum of Line 13 and Line 15 from Schedule N.	This deduction may be taken only if the business had a profit	\$	
5	Alcoholic Beverage Deduction Multiply Line 3 by Line 4. Enter Schedule N Line 14.		\$	

Schedule W: Calculation of Gross Salaries, Wages, Tips, etc. (For Individual Filers Only)

1	Gross salaries, wages, tips, etc. reported on the Federal Form W-2 from which no occupational taxes were withheld , plus deferred compensation from 401 (k), 403 (b), or 457 plans.	\$		.00
2	Related employee business expenses per Federal Form 2106 (Attach Form W-2 and Form 2106 unless already provided)	\$		.00
3	Line 1 minus Line 2	\$		.00
4	Total Days Worked in Locality / Total Days Worked Everywhere			%
5	Multiply Line 3 by Line 4	\$		.00
6	Multiply Line 5 by tax rate of % Enter on Line 10 Section 1.	\$		.00

KY OL-S		OTHER ADDITIONS FROM SCHEDULE K	STATEMENT 21
DESCRIPTION			AMOUNT
INTEREST INCOME			4,055.
FORM OL-S, SCHEDULE N, LINE 10			4,055.

KY OL-S		OTHER SUBTRACTIONS FROM SCHEDULE K	STATEMENT 22
DESCRIPTION			AMOUNT
CHARITABLE CONTRIBUTIONS			3,000.
FORM OL-S, SCHEDULE N, LINE 13			3,000.

Form **OL-S**
Single Tax District

Kentucky Local Standard

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12/31/2023

Occupational License Fee Return

Print or Copy Single Side Only.

For Year Ending

Tax District Name (See instructions)

MADISON COUNTY

Tax District Address

PO BOX 547

RICHMOND, KY, 40476

Department Use Only - Do not write or staple in this space.

Taxpayer Name

LEXINGTON BLUE, INC.

Filing Status:

Trade Name

Filing Status Change? YES ☐ NO ☒

Address

287 PASADENA DRIVE

Address 2

City

LEXINGTON

State

KY

ZIP Code

40503

Tax District Account Number

Method of Accounting

☒ Fed ID☐ SSN

5063

☐ Accrual☒ CashCheck one box only
Check all that apply

Individual Resident

Individual Non-Resident

Corporation

Partnership

☒ S Corp

Other

No Activity

Amended

Fed ID Change (Complete Line F)

Final (Complete Line G)

Name Change

Address Change

A Principal business activity

CONSTRUCTION

NAICS Code:

236110

B Did you have employees during the past year?

Number of employees who worked in this locality

YES ☐ NO ☒**C Did you make payments in the sum of \$600.00 or more for services rendered in this locality to any individual other than an employee? If "YES," submit copy of 1099s to local tax district.**YES ☒ NO ☐**D Did you file a consolidated C - Corporation federal return? If "YES," see instructions.**YES ☐ NO ☒**E During the past year, did IRS change or propose to change net income reported for that year or any prior year? If "YES," see instructions.**YES ☐ NO ☒

Which year(s)?

F If Federal ID changed, list the name of new entity:

Ownership Change Date:

G If final return, state reason for discontinuance:

Discontinuance Date:

List successor if sold:

H List Principal Administrative Officer's Name, Address, and Social Security Number:

Name

BRADLY J PAGEL

SSN:

8010

Address

1301 MUMFORD LANE

Address 2

City

LEXINGTON

State

KY

ZIP Code

40513-1743

Taxpayer Name LEXINGTON BLUE, INC.	Department Use Only - Do not write or staple in this space.
Tax District Name MADISON COUNTY	
Tax District Account Number 	
For Year Ending 12/31/2023	

Section 1: Occupational License Fee Calculation

1 Enter Adjusted Gross Receipts from Schedule G or Adjusted Net Profit from Schedule N	\$ -128,556 .00
2 Enter apportionment percentage or 100% from page 3, Section 2, Line 4.	2.5426 %
3 Enter Taxable Gross Receipts or Net Profit (Line 1 X Line 2)	\$.00
4 License Fee (Line 3) X tax rate of 1.000000 % (See Instructions)	\$.00
5 If tax district has a minimum tax, enter here. (See Instructions)	\$.00
6 If tax district has a maximum tax, enter here. (See Instructions)	\$.00
7 Sub Total Amount: a. If the tax district does not have a minimum or maximum tax, enter value from line 4. b. If line 4 is less than 5, enter line 5 here. c. If line 6 is greater than zero and line 4 is greater than line 6, enter line 6 here.	\$.00
8 Enter Non-Refundable Credits. (See Instructions for those specific districts, e.g. Laurel County)	\$.00
9 Subtotal: Subtract line 8 from line 7. Cannot be less than zero.	\$ 0 .00
10 If applicable enter Line 6 from Schedule W.	\$.00
11 Subtotal: Add Line 9 and Line 10.	\$ 0 .00
12 Enter estimated payments and/or prior year credits.	\$.00
13 Occupational License Fee Due. (Subtract line 12 from line 11)	\$ 0 .00
14 Penalties - If applicable. (See Instructions)	\$.00
15 Interest - If applicable. (See Instructions)	\$.00
16 Additional fees due:	\$.00
STOP: Additional fees may apply per local tax district. See instructions for additional tax district amounts due, such as next year minimum, privilege taxes, or regulatory fees	
17 Total Amount Due. Add lines 13, 14, 15, and 16 (See above)	\$ 0 .00
18 Overpayment. If Line 17 is less than zero enter application of overpayment here.	Credit to next year: \$.00 Refund: \$.00

Taxpayer Name LEXINGTON BLUE, INC.	Department Use Only - Do not write or staple in this space.
Tax District Name MADISON COUNTY	
Tax District Account Number 	
For Year Ending 12/31/2023	

Section 2: Apportionment Factors

Calculation of Apportionment Percentage - A taxpayer whose business activities were conducted in more than one tax district must complete this section.

Sales Factor (See instructions)	1a Sales/Gross Receipts within the Tax District	\$ 320,362 .00
	1b Total Sales/Gross Receipts everywhere	\$ 6,299,920 .00
	1c Divide Line 1a by Line 1b	5.0852 %
Payroll Factor (See instructions)	2a Payroll within the Tax District	\$ 0 .00
	2b Total Payroll everywhere	\$ 652,344 .00
	2c Divide Line 2a by Line 2b	.0000 %
	3 Total Percentages (add line 1c + 2c)	5.0852 %
	4 Apportionment Percentage - If both Lines 1(b) and 2(b) are greater than zero, divide entry on Line 3 by 2. Enter here, if either Line 1(b) or Line 2(b) is zero, enter the amount from Line 3 here. EXAMPLE: "22.12345%"	2.5426 %

Section 3: Signature (return must be signed)

I hereby certify that the statements made herein and in any supporting schedules are true, correct and complete to the best of my knowledge under penalty of perjury.

PREPARER Print Name BRANDI N GILLEN Preparer's Signature Firm Name DEAN DORTON ALLEN FORD, PLLC TIN 8252 Date: Address 250 W. MAIN STREET STE. 1400 City LEXINGTON State KY ZIP Code 40507 Phone Number 859-255-2341	TAXPAYER Print Name BRADLY J PAGEL Taxpayer's Signature Title PRESIDENT SSN 8010 Date: Address 1301 MUMFORD LANE City LEXINGTON State KY ZIP Code 40513-1743 Phone Number 859-368-6346 Do you want to allow your tax preparer to discuss this return with the tax district agency? YES ☒ NO ☐
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You must attach all applicable federal returns and schedules.

Taxpayer Name

LEXINGTON BLUE, INC.

Tax District Name

MADISON COUNTY

Tax District Account Number

For Year Ending

12/31/2023

Department Use Only - Do not write or staple in this space.

Schedule N: Calculation of Adjusted Net Profit*** Note: Some districts do not allow multiple individual schedules on the same worksheet. (See Instructions). Applies to lines 1-6.**

1	* If an Individual , enter non-employee compensation as reported on Form 1099-MISC and reported as other income on Federal Form 1040 (Attach Form 1040 and applicable schedules)	\$		.00
2	* If an Individual , enter net profit or (loss) from Federal Schedule C of Form 1040 (Attach Form 1040 and applicable schedules)	\$		.00
3	* If an Individual , enter capital gain from Federal Form 4797 or Form 6252 from the sale of property used in a trade or business reported on Schedule D on Form 1040 (Attach Federal Schedules)	\$		.00
4	* If an Individual , enter rental income or (loss) from Federal Schedule E of Form 1040 (Attach Form 1040 and applicable schedules)	\$		.00
5	* If an Individual , enter farm net profit or (loss) from Federal Schedule F of Form 1040 (Attach Form 1040 and applicable schedules)	\$		.00
6	* If an Individual , enter ordinary gain or (loss) on the sale of property used in a trade or business per Federal Form 4797 (Attach Form 4797 and applicable schedules)	\$		.00
7	If a Partnership , enter ordinary income or (loss) from Federal Form 1065 (Attach Form 1065 and applicable schedules)	\$		.00
8	If a Corporation , enter taxable income or (loss) from Federal Form 1120S or ordinary income or (loss) per Federal Form 1120S (Attach applicable Federal Schedules)	\$	-129,611	.00
9	State income taxes and occupational license fees deducted on the Federal Schedules C, E or F, or Federal Form 1065, 1120 or 1120S	\$		.00
10	If a Partnership or S Corporation , enter additions from Schedules K on Form 1065 or Form 1120S * * SEE STATEMENT 23	\$	4,055	.00
11	If a Corporation , enter net operating loss deducted on Form 1120	\$		.00
12	Total Income. Add Line 1 through Line 11. (* See Note Above)	\$	-125,556	.00
13	If a Partnership or S Corporation , enter subtractions from Schedule K of Form 1065 or Form 1120S ** ** SEE STATEMENT 24	\$	3,000	.00
14	Alcoholic Beverage Sales Deduction (Line 5 from Schedule A)	\$		.00
15	Other Adjustments - Attach Schedule (See Instructions)	\$		.00
16	Total Deductions. Add Line 13 through Line 15	\$	3,000	.00
17	Adjusted Net Profit. Subtract Line 16 from Line 12. Enter here and on Page 2, Line 1	\$	-128,556	.00

Taxpayer Name LEXINGTON BLUE, INC. Tax District Name MADISON COUNTY Tax District Account Number For Year Ending 12/31/2023	Department Use Only - Do not write or staple in this space.
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Schedule G: Calculation of Adjusted Gross Receipts

*** Note: Some tax districts do not allow multiple individual schedules on the same worksheet. (See Instructions). Applies to lines 1-5.**

1 * If an Individual, enter non-employee compensation as reported on Form 1099-MISC and reported as other income on Federal Form 1040 (Attach Form 1040 and applicable schedules)	\$.00
2 * If an Individual, enter gross receipts from Federal Schedule C of Form 1040 (Attach Form 1040 and applicable schedules)	\$.00
3 * If an Individual, enter capital gain from Federal Form 4797, Form 6252, and/or Schedule D for property used in a trade or business. (Attach Federal Schedules)	\$.00
4 * If an Individual, enter rental gross receipts from Federal Schedule E of Form 1040 (Attach Form 1040 and applicable schedules)	\$.00
5 * If an Individual, enter farm gross receipts from Federal Schedule F of Form 1040 (Attach Form 1040 and applicable schedules)	\$.00
6 If a Partnership, enter gross receipts from Federal Form 1065 (Attach Form 1065 and applicable schedules)	\$.00
7 If a Corporation, enter gross receipts from Federal Form 1120 per Federal Form 1120S (Attach 1120 or 1120S and applicable Federal Schedules)	\$.00
8 If a Corporation, enter gross receipts from "Gross Rents" from Federal Form 1120 (Attach Federal Form 1120)	\$.00
9 Gross Receipts from rental activity of a Partnership or S Corporation (Attach Federal Form 8825 and other applicable schedules)	\$.00
10 Total Gross Receipts. Add Line 1 through Line 9	\$.00
11 Gross Alcoholic Beverage Sales within the Tax District	\$.00
12 Sales Tax and Excise Tax included in Gross Receipts	\$.00
13 Returns and Allowances Deduction	\$.00
14 Total Deductions. Add Lines 11 through Line 13	\$.00
15 Adjusted Gross Receipts. Subtract Line 14 from Line 10. Enter here and on Page 2, Line 1	\$.00

Taxpayer Name

LEXINGTON BLUE, INC.

Tax District Name

MADISON COUNTY

Tax District Account Number

For Year Ending

12/31/2023

Department Use Only - Do not write or staple in this space.

Schedule A: Calculation of Alcoholic Beverage Deduction (for use by Schedule N filers)

1	Kentucky Alcohol beverage sales	\$		.00
2	Total sales	\$		.00
3	Alcoholic Beverage percentage: Line 1 divided by Line 2			%
4	Adjusted Net Profit before Alcoholic Beverage Deduction Line 12 minus the sum of Line 13 and Line 15 from Schedule N.	This deduction may be taken only if the business had a profit	\$	
5	Alcoholic Beverage Deduction Multiply Line 3 by Line 4. Enter Schedule N Line 14.		\$	

Schedule W: Calculation of Gross Salaries, Wages, Tips, etc. (For Individual Filers Only)

1	Gross salaries, wages, tips, etc. reported on the Federal Form W-2 from which no occupational taxes were withheld , plus deferred compensation from 401 (k), 403 (b), or 457 plans.	\$		.00
2	Related employee business expenses per Federal Form 2106 (Attach Form W-2 and Form 2106 unless already provided)	\$		.00
3	Line 1 minus Line 2	\$		.00
4	Total Days Worked in Locality / Total Days Worked Everywhere			%
5	Multiply Line 3 by Line 4	\$		.00
6	Multiply Line 5 by tax rate of % Enter on Line 10 Section 1.	\$		.00

KY OL-S		OTHER ADDITIONS FROM SCHEDULE K	STATEMENT 23
DESCRIPTION		AMOUNT	
INTEREST INCOME		4,055.	
FORM OL-S, SCHEDULE N, LINE 10		4,055.	
KY OL-S		OTHER SUBTRACTIONS FROM SCHEDULE K	STATEMENT 24
DESCRIPTION		AMOUNT	
CHARITABLE CONTRIBUTIONS		3,000.	
FORM OL-S, SCHEDULE N, LINE 13		3,000.	

Form **OL-S**
Single Tax District

Kentucky Local Standard

Document

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12/31/2023

Occupational License Fee Return

Print or Copy Single Side Only.

For Year Ending

Tax District Name (See instructions)

RICHMOND

Tax District Address

239 WEST MAIN STREET

RICHMOND, KY, 40475

Department Use Only - Do not write or staple in this space.

Taxpayer Name

LEXINGTON BLUE, INC.

Filing Status:

Trade Name

Filing Status Change? YES ☐ NO ☒

Address

287 PASADENA DRIVE

Address 2

City

LEXINGTON

State

KY

ZIP Code

40503

Tax District Account Number

Method of Accounting

☒ Fed ID☐ SSN

5063

☐ Accrual☒ CashCheck one box only
Check all that apply

Individual Resident

Individual Non-Resident

Corporation

Partnership

☒ S Corp

Other

No Activity

Amended

Fed ID Change (Complete Line F)

Final (Complete Line G)

Name Change

Address Change

A Principal business activity

CONSTRUCTION

NAICS Code:

236110

B Did you have employees during the past year?

Number of employees who worked in this locality

YES ☐ NO ☒**C Did you make payments in the sum of \$600.00 or more for services rendered in this locality to any individual other than an employee? If "YES," submit copy of 1099s to local tax district.**YES ☒ NO ☐**D Did you file a consolidated C - Corporation federal return? If "YES," see instructions.**YES ☐ NO ☒**E During the past year, did IRS change or propose to change net income reported for that year or any prior year? If "YES," see instructions.**YES ☐ NO ☒

Which year(s)?

F If Federal ID changed, list the name of new entity:

Ownership Change Date:

G If final return, state reason for discontinuance:

Discontinuance Date:

List successor if sold:

H List Principal Administrative Officer's Name, Address, and Social Security Number:

Name

BRADLY J PAGEL

SSN:

8010

Address

1301 MUMFORD LANE

Address 2

City

LEXINGTON

State

KY

ZIP Code

40513-1743

Taxpayer Name LEXINGTON BLUE, INC. Tax District Name RICHMOND Tax District Account Number For Year Ending 12/31/2023	Department Use Only - Do not write or staple in this space.
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Section 1: Occupational License Fee Calculation

1 Enter Adjusted Gross Receipts from Schedule G or Adjusted Net Profit from Schedule N	\$ -128,556 .00
2 Enter apportionment percentage or 100% from page 3, Section 2, Line 4.	2.5426 %
3 Enter Taxable Gross Receipts or Net Profit (Line 1 X Line 2)	\$.00
4 License Fee (Line 3) X tax rate of 2.000000 % (See Instructions)	\$.00
5 If tax district has a minimum tax, enter here. (See Instructions)	\$ 25 .00
6 If tax district has a maximum tax, enter here. (See Instructions)	\$.00
7 Sub Total Amount: a. If the tax district does not have a minimum or maximum tax, enter value from line 4. b. If line 4 is less than 5, enter line 5 here. c. If line 6 is greater than zero and line 4 is greater than line 6, enter line 6 here.	\$ 25 .00
8 Enter Non-Refundable Credits. (See Instructions for those specific districts, e.g. Laurel County)	\$.00
9 Subtotal: Subtract line 8 from line 7. Cannot be less than zero.	\$ 25 .00
10 If applicable enter Line 6 from Schedule W.	\$.00
11 Subtotal: Add Line 9 and Line 10.	\$ 25 .00
12 Enter estimated payments and/or prior year credits.	\$.00
13 Occupational License Fee Due. (Subtract line 12 from line 11)	\$ 25 .00
14 Penalties - If applicable. (See Instructions)	\$.00
15 Interest - If applicable. (See Instructions)	\$.00
16 Additional fees due:	\$.00
STOP: Additional fees may apply per local tax district. See instructions for additional tax district amounts due, such as next year minimum, privilege taxes, or regulatory fees	
17 Total Amount Due. Add lines 13, 14, 15, and 16 (See above)	\$ 25 .00
18 Overpayment. If Line 17 is less than zero enter application of overpayment here.	Credit to next year: \$.00 Refund: \$.00

Taxpayer Name LEXINGTON BLUE, INC.	Department Use Only - Do not write or staple in this space.
Tax District Name RICHMOND	
Tax District Account Number 	
For Year Ending 12/31/2023	

Section 2: Apportionment Factors

Calculation of Apportionment Percentage - A taxpayer whose business activities were conducted in more than one tax district must complete this section.

Sales Factor (See instructions)	1a Sales/Gross Receipts within the Tax District	\$ 320,362 .00
	1b Total Sales/Gross Receipts everywhere	\$ 6,299,920 .00
	1c Divide Line 1a by Line 1b	5.0852 %
Payroll Factor (See instructions)	2a Payroll within the Tax District	\$ 0 .00
	2b Total Payroll everywhere	\$ 652,344 .00
	2c Divide Line 2a by Line 2b	.0000 %
	3 Total Percentages (add line 1c + 2c)	5.0852 %
	4 Apportionment Percentage - If both Lines 1(b) and 2(b) are greater than zero, divide entry on Line 3 by 2. Enter here, if either Line 1(b) or Line 2(b) is zero, enter the amount from Line 3 here. EXAMPLE: "22.12345%"	2.5426 %

Section 3: Signature (return must be signed)

I hereby certify that the statements made herein and in any supporting schedules are true, correct and complete to the best of my knowledge under penalty of perjury.

PREPARER Print Name BRANDI N GILLEN Preparer's Signature Firm Name DEAN DORTON ALLEN FORD, PLLC TIN 8252 Date: Address 250 W. MAIN STREET STE. 1400 City LEXINGTON State KY ZIP Code 40507 Phone Number 859-255-2341	TAXPAYER Print Name BRADLY J PAGEL Taxpayer's Signature Title PRESIDENT SSN 8010 Date: Address 1301 MUMFORD LANE City LEXINGTON State KY ZIP Code 40513-1743 Phone Number 859-368-6346 Do you want to allow your tax preparer to discuss this return with the tax district agency? YES ☒ NO ☐
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You must attach all applicable federal returns and schedules.

Taxpayer Name

LEXINGTON BLUE, INC.

Tax District Name

RICHMOND

Tax District Account Number

For Year Ending

12/31/2023

Department Use Only - Do not write or staple in this space.

Schedule N: Calculation of Adjusted Net Profit*** Note: Some districts do not allow multiple individual schedules on the same worksheet. (See Instructions). Applies to lines 1-6.**

1	* If an Individual , enter non-employee compensation as reported on Form 1099-MISC and reported as other income on Federal Form 1040 (Attach Form 1040 and applicable schedules)	\$		.00
2	* If an Individual , enter net profit or (loss) from Federal Schedule C of Form 1040 (Attach Form 1040 and applicable schedules)	\$		.00
3	* If an Individual , enter capital gain from Federal Form 4797 or Form 6252 from the sale of property used in a trade or business reported on Schedule D on Form 1040 (Attach Federal Schedules)	\$		.00
4	* If an Individual , enter rental income or (loss) from Federal Schedule E of Form 1040 (Attach Form 1040 and applicable schedules)	\$		.00
5	* If an Individual , enter farm net profit or (loss) from Federal Schedule F of Form 1040 (Attach Form 1040 and applicable schedules)	\$		.00
6	* If an Individual , enter ordinary gain or (loss) on the sale of property used in a trade or business per Federal Form 4797 (Attach Form 4797 and applicable schedules)	\$		.00
7	If a Partnership , enter ordinary income or (loss) from Federal Form 1065 (Attach Form 1065 and applicable schedules)	\$		.00
8	If a Corporation , enter taxable income or (loss) from Federal Form 1120S or ordinary income or (loss) per Federal Form 1120S (Attach applicable Federal Schedules)	\$	-129,611	.00
9	State income taxes and occupational license fees deducted on the Federal Schedules C, E or F, or Federal Form 1065, 1120 or 1120S	\$		.00
10	If a Partnership or S Corporation , enter additions from Schedules K on Form 1065 or Form 1120S * * SEE STATEMENT 25	\$	4,055	.00
11	If a Corporation , enter net operating loss deducted on Form 1120	\$		.00
12	Total Income. Add Line 1 through Line 11. (* See Note Above)	\$	-125,556	.00
13	If a Partnership or S Corporation , enter subtractions from Schedule K of Form 1065 or Form 1120S ** ** SEE STATEMENT 26	\$	3,000	.00
14	Alcoholic Beverage Sales Deduction (Line 5 from Schedule A)	\$		.00
15	Other Adjustments - Attach Schedule (See Instructions)	\$		.00
16	Total Deductions. Add Line 13 through Line 15	\$	3,000	.00
17	Adjusted Net Profit. Subtract Line 16 from Line 12. Enter here and on Page 2, Line 1	\$	-128,556	.00

Taxpayer Name LEXINGTON BLUE, INC. Tax District Name RICHMOND Tax District Account Number For Year Ending 12/31/2023	Department Use Only - Do not write or staple in this space.
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Schedule G: Calculation of Adjusted Gross Receipts

*** Note: Some tax districts do not allow multiple individual schedules on the same worksheet. (See Instructions). Applies to lines 1-5.**

1 * If an Individual, enter non-employee compensation as reported on Form 1099-MISC and reported as other income on Federal Form 1040 (Attach Form 1040 and applicable schedules)	\$.00
2 * If an Individual, enter gross receipts from Federal Schedule C of Form 1040 (Attach Form 1040 and applicable schedules)	\$.00
3 * If an Individual, enter capital gain from Federal Form 4797, Form 6252, and/or Schedule D for property used in a trade or business. (Attach Federal Schedules)	\$.00
4 * If an Individual, enter rental gross receipts from Federal Schedule E of Form 1040 (Attach Form 1040 and applicable schedules)	\$.00
5 * If an Individual, enter farm gross receipts from Federal Schedule F of Form 1040 (Attach Form 1040 and applicable schedules)	\$.00
6 If a Partnership, enter gross receipts from Federal Form 1065 (Attach Form 1065 and applicable schedules)	\$.00
7 If a Corporation, enter gross receipts from Federal Form 1120 per Federal Form 1120S (Attach 1120 or 1120S and applicable Federal Schedules)	\$.00
8 If a Corporation, enter gross receipts from "Gross Rents" from Federal Form 1120 (Attach Federal Form 1120)	\$.00
9 Gross Receipts from rental activity of a Partnership or S Corporation (Attach Federal Form 8825 and other applicable schedules)	\$.00
10 Total Gross Receipts. Add Line 1 through Line 9	\$.00
11 Gross Alcoholic Beverage Sales within the Tax District	\$.00
12 Sales Tax and Excise Tax included in Gross Receipts	\$.00
13 Returns and Allowances Deduction	\$.00
14 Total Deductions. Add Lines 11 through Line 13	\$.00
15 Adjusted Gross Receipts. Subtract Line 14 from Line 10. Enter here and on Page 2, Line 1	\$.00

Document

Page 101 of 125

Taxpayer Name

LEXINGTON BLUE, INC.

Tax District Name

RICHMOND

Tax District Account Number

For Year Ending

12/31/2023

Department Use Only - Do not write or staple in this space.

Schedule A: Calculation of Alcoholic Beverage Deduction (for use by Schedule N filers)

1	Kentucky Alcohol beverage sales	\$		.00
2	Total sales	\$		.00
3	Alcoholic Beverage percentage: Line 1 divided by Line 2			%
4	Adjusted Net Profit before Alcoholic Beverage Deduction Line 12 minus the sum of Line 13 and Line 15 from Schedule N.	This deduction may be taken only if the business had a profit	\$	
5	Alcoholic Beverage Deduction Multiply Line 3 by Line 4. Enter Schedule N Line 14.		\$	

Schedule W: Calculation of Gross Salaries, Wages, Tips, etc. (For Individual Filers Only)

1	Gross salaries, wages, tips, etc. reported on the Federal Form W-2 from which no occupational taxes were withheld , plus deferred compensation from 401 (k), 403 (b), or 457 plans.	\$		.00
2	Related employee business expenses per Federal Form 2106 (Attach Form W-2 and Form 2106 unless already provided)	\$		.00
3	Line 1 minus Line 2	\$		.00
4	Total Days Worked in Locality / Total Days Worked Everywhere			%
5	Multiply Line 3 by Line 4	\$		.00
6	Multiply Line 5 by tax rate of % Enter on Line 10 Section 1.	\$		.00

KY OL-S		OTHER ADDITIONS FROM SCHEDULE K	STATEMENT 25
DESCRIPTION			AMOUNT
INTEREST INCOME			4,055.
FORM OL-S, SCHEDULE N, LINE 10			4,055.

KY OL-S		OTHER SUBTRACTIONS FROM SCHEDULE K	STATEMENT 26
DESCRIPTION			AMOUNT
CHARITABLE CONTRIBUTIONS			3,000.
FORM OL-S, SCHEDULE N, LINE 13			3,000.

JESSAMINE COUNTY/CITY OF NICHOLASVILLE**NET PROFIT LICENSE FEE RETURN**

FORM JCOT 2

THIS RETURN IS DUE ON OR BEFORE APRIL 15th FOR THE CALENDAR YEAR OR WITHIN 105 DAYS OF THE FISCAL YEAR END

☒ Check if on federal extension (Attach Copy)**Name and Address of Business**

(Please correct any error in ownership, name or address)

LEXINGTON BLUE, INC.
287 PASADENA DRIVE
LEXINGTON, KY 40503**Federal I.D. or Social Security Number**

5063

Account No.**CALENDAR/FISCAL YEAR END**

Month

12

Day

31

Year

23

For Office Use Only
Received

Check No.

Check No.

Amount

Amount

City

County

Make Checks Payable to:City Tax: City of Nicholasville
Co. Tax: Jessamine Co Fiscal Ct**Mail with this return to:**Occupational Tax Office
105 Court Row
Nicholasville, Kentucky 40356
Ph: (859) 885-3206
Fax: (859) 887-0900☐ Final Return (check only to close account) ☐ Amended ReturnCheck federal filing status: ☐ Individual owner ☐ Partnership ☐ Corporation ☒ S-Corp ☐ LLC ☐ Other**All questions must be completed:**

- A. Principal Business Activity CONSTRUCTION
- B. Business Phone 859-368-6346
- C. Business Site Address _____
- D. Did you have employees in Jessamine Co. ☐ Yes ☒ No
City of Nicholasville? ☐ Yes ☒ No
- E. Have federal authorities changed the Net Income as originally
Reported for any prior year? ☐ Yes ☒ No
- *If yes, attach schedule of changes for each year.

F. If organization was discontinued:Date _____ by ☐ Dissolution ☐ Sale
New owner name and address _____

- G. Did you make payments in the sum of \$600.00 or more to any
individual for services rendered in Jessamine Co.? ☐ Yes ☒ No
- City of Nicholasville ☐ Yes ☒ No (other than an employee)
- If yes, you are required to file Form 1099.

SECTION 1: CALCULATION OF LICENSE FEE LIABILITY

	City of Nicholasville ☐ No activity this year	Jessamine County ☐ No activity this year
1. Net Business Income per worksheet (See reverse side)	1 (128,556.00)	1 (128,556.00)
2. Business Allocation Percentage (See Section 2)	2 3.9337%	2 3.9337%
3. Taxable Net Profit (Line 1 multiplied by Line 2)	3 0.00	3 0.00
4. License Fee Due at 1% (Line 3 multiplied by 1%)	4 0.00	4 0.00
5. Estimated Payments/Credits	5	5
6. Subtotal (Line 4 minus Line 5)	6 0.00	6 0.00
7. Penalty: late pay and/or filing (5% per month or portion thereof not to exceed 25%; \$25.00 minimum)	7	7
8. Interest (12% per annum for late payment and/or filing)	8	8
9. Total Due	9 0	9 0
10. If overpaid, please indicate ☐ Account Credit or ☐ Refund	10 0	10 0

SECTION 2: BUSINESS ALLOCATION PERCENTAGE: Licensees whose business operations were not conducted entirely in the City of Nicholasville or Jessamine County outside the City of Nicholasville must complete this part, regardless of profit or loss. Percentages should be carried out four (4) places.

	Col A: Nicholasville	Col B: Jessamine	Col C: Total Everywhere	Col D: A ÷ C = D City of Nicholasville %	Col E: B ÷ C = E Jessamine County %
GROSS RECEIPTS from sales made and/or services rendered	\$ 495,640.90	\$ 495,640.90	\$ 6,299,920.00	7.8674%	7.8674%
WAGES, SALARIES and other compensation paid to employees	\$ 0.00	\$ 0.00	\$ 652,344.00	0.0000%	0.0000%
Total Percentages (Add the percentages computed above for columns D and E)				7.8674%	7.8674%
Average Percentage (Total Percentage divided by number of percents) Enter on Line 2 of Section 1				3.9337%	3.9337%

I certify that the statements made herein and in any supporting schedules are true, correct and complete to the best of my knowledge.

Signed _____ Title _____ Date _____

SECTION 3: WORKSHEET

Please complete the column that relates to your form of business

1. Non-employee compensation per federal Form 1099 reported as "other income" on federal Form 1040 (attach Form 1040 and 1099)

2. Net profit or (loss) per Schedule C, C-EZ, E or F of federal Form 1040 (attach Form 1040 and applicable Schedule(s))

3. Gain or (loss) on the sale of property used in a trade or business per federal Form 1040 (attach Form 4797 and/or Schedule D)

4. Ordinary income or (loss) per federal Form 1065 (attach form 1065)

5. Taxable income or (loss) per federal Form 1120 or 1120 A (attach Form 1120 or 1120 A)

6. Ordinary income or (loss) per federal Form 1120S (attach Form 1120S)

7. Other additions from Schedule K of federal Form 1065 1120S (see instructions) (attach Schedule K)

8. Other business income (attach schedule)

9. Total business income (add Lines 1 through 8)

10. Other allowable subtractions from Schedule K of federal Form 1065 or 1120S (see instructions) (attach Schedule K)

11. Net business income (Line 9 less Line 10)

ITEMS NOT DEDUCTIBLE

12. State and local license fees or taxes based on income

13. Net operating loss deduction

14. Partners' salaries (attach schedules)

15. Expenses associated with income not subject to the license fee (attach schedule)

16. Other (attach full explanation and schedule)

17. Total items not deductible (Add Lines 12 through 16)

ITEMS NOT SUBJECT

18. Interest income from U.S. obligations

19. IRC Section 78 dividends and IRS Section 951 dividends

20. Kentucky alcoholic beverages net (attach schedule)

21. Other (attach full explanation and schedule)

22. Total items not subject (add Lines 18 through 22)

23. Adjusted net business income (Line 11 plus Line 17 less Line 22) Enter in Section 1, Line 1

	<u>Individual</u>	<u>Partnership</u>	<u>Corporation and S-corp</u>	<u>Other</u>
		N/A	N/A	
		N/A	N/A	
		N/A	N/A	
	N/A		N/A	
	N/A	N/A		
	N/A	N/A	(129,611.00)	
	N/A		4,055.00	
	0.00	0.00	(125,556.00)	0.00
	N/A		(3,000.00)	
	0.00	0.00	(128,556.00)	0.00
	N/A	N/A		
	N/A		N/A	
	0.00	0.00	0.00	0.00
	N/A			
	N/A			
	0.00	0.00	0.00	0.00
	0.00	0.00	(128,556.00)	0.00

The Jessamine County Occupational Tax Office will collect the net profit tax on behalf of the City of Nicholasville. This is a city tax, but the collection is being done by the county because it will be more cost effective and efficient, and will enable taxpayers to file both their county and city net profit returns to one central location (105 Court Row, Nicholasville, KY). However, payments must be made separately, county tax payments must be made payable to the Jessamine County Fiscal Court and city tax payments must be made payable to the City of Nicholasville. If you have questions regarding your return, please contact the County Occupational Tax Office at (859) 885-3206. If you have questions regarding the City Ordinance, please contact the City Tax Administrator's Office at (859) 885-7618.

**JESSAMINE COUNTY OCCUPATIONAL TAX OFFICE
JESSAMINE CO./CITY OF NICHOLASVILLE
NET PROFITS LICENSE FEE RETURN, FORM JCOT 2
GENERAL INSTRUCTIONS**

The following instructions are provided to aid the licensee in the completion of Form JCOT 2, Net Profits License Fee Return. They are not intended to be all-inclusive and therefore should be used only as a supplement to the existing License Fee Ordinances. If you have questions that are not addressed in these instructions, please refer to the License Fee Ordinances available at www.jessamineco.com (county) or www.nicholasville.org (city) or by contacting the Occupational Tax Office at (859) 885-3206.

WHO MUST FILE FORM JCOT 2, NET PROFITS LICENSE FEE RETURN:

Corporations, partnerships, individuals/sole proprietorships, estates and trusts, or other businesses engaged in an occupation, trade, or profession with a business nexus in Jessamine County and/or the City of Nicholasville, Kentucky. The occupational tax is imposed upon the privilege of engaging in a business, profession, occupation, or trade within Jessamine County and/or the City of Nicholasville, Kentucky regardless of the legal residence of the person so engaged.

A TAX FORM MUST BE FILED EVEN IF:

- Your business activity resulted in a loss for the tax year. Complete the tax form according to the instructions provided.
- You were not actively engaged in business during the tax year but intend to resume operations at a future date. Check the appropriate box designated "No activity this year", sign and mail/deliver to the Occupational Tax Office.
- Your business activity ceased prior to the beginning of the tax year, but you have not provided written notification that operations ceased. Check the boxes designated "No activity this year" and "Final Return", enter the date your activity ceased, sign and mail/deliver your return to the Occupational Tax Office.
- Your business was operational for a portion of the tax year but ceased operation prior to completion of the fiscal period. Complete the tax form according to the instructions provided. Check the box designated "Final Return", enter the date activity ceased, sign and mail/deliver the return to the Occupational Tax Office.
- You applied for a tax number with the intention of starting a business but never transacted business within Jessamine County and do not intend to do so in the future. Check the boxes designated "No activity this year" and "Final Return", enter the date activity ceased, sign and mail/deliver to the Occupational Tax Office.

AUTOMATIC EXTENSIONS:

An automatic extension of time for filing the Net Profits License Fee Return will be granted for a period not to exceed any extension granted by the Internal Revenue Service for the filing of the federal income tax return for the same year. The extension request must be a written request properly signed by the licensee or a duly authorized agent and received on or before the due date for filing. **A copy of the federal Form 4868, 8736, or 7004 for the same year may be used for the written request.**

An automatic extension of time for filing the Net Profits License Fee Return does not extend the time for payment of the license fee. Full payment of the estimated license fee liability must accompany the request for extension.

Interest at the rate of twelve (12) percent per annum shall apply to any unpaid license fee during the period of extension and shall be included with the amount remitted in payment of the license fee at the time of filing the Net Profits License Fee Return. No penalty shall be assessed in those cases in which all filing and payment requirements have in good faith been fulfilled and the final license fee and interest is paid with the filing of the Net Profits License Fee Return within the period as extended.

Any automatic extension shall be granted with the understanding that all prior filing requirements have been fulfilled. However, if upon further examination it becomes evident that prior filing and payment requirements have not been fulfilled, interest and penalty shall be assessed in full and in the same manner as though no extension had been granted.

Forms with payment(s) should be mailed to:

**Jessamine County Occupational Tax Office
105 Court Row
Nicholasville, Kentucky 40356**

All checks made payable to:

**Co. Tax: Jessamine Co. Fiscal Court
City Tax: City of Nicholasville**

SECTION 1: CALCULATION OF LICENSE FEE LIABILITY INSTRUCTIONS

- Line 1:** Enter the adjusted net business income from Line 24 of Worksheet 1 on the reverse side of Form JCOT 2. This worksheet **must** be completed in order to determine your adjusted net business income.
- Line 2:** Enter the average allocation percentage from Section 2, Line 4, Column C
- Line 3:** Multiply Line 1 by Line 2. Enter the result on Line 3.
- Line 4:** Multiply Line 3 by the license fee rate of 1%. Enter the result on Line 4.
- Line 5:** Enter on Line 5 any estimated payments and/or credits carried forward.
- Line 6:** Subtract Line 5 from Line 4. If Line 6 is less than -0-, go to Line 10.
- Line 7:** If the license fee due is not paid by the due date of the return, penalty is assessed at the rate of five (5) percent for each calendar month or fraction of calendar month the license fee remains unpaid up to a maximum of twenty-five (25%) percent; \$25.00 minimum. Enter the result on Line 7.
- Line 8:** If the license fee due is not paid by the due date of the return, interest is assessed at the rate of twelve (12) percent per annum. Multiply the license fee due on Line 6 by the appropriate percentage. Enter the result on Line 8.
- Line 9:** Add Lines 6 through 8. This is the total due. **Pay this amount.** If you cannot pay the entire balance, file your return and pay as much as possible and attach a separate request for an installment agreement. **NOTE:** You may be required to sign a Promissory Note for the amount of the unpaid license fee, penalty and interest. In addition, interest rate of twelve (12) percent per annum shall apply to any unpaid license fee during the period of the agreement.
- Line 10:** If Line 6 is less than zero, enter the amount on Line 10. You must indicate if you desire to have the overpayment refunded or applied to future returns as a credit. Overpayments of \$25.00 or less will automatically be credited to the next tax year unless the current tax year was the final year of operations in Jessamine County and/or the City of Nicholasville.

SECTION 2: BUSINESS ALLOCATION PERCENTAGE INSTRUCTIONS

Section 2 must be completed by all licensees whose business operations and/or payroll were not conducted entirely in the City of Nicholasville or Jessamine County outside the city limits.

Gross Business Receipts Factor

- Gross Receipts, Column A: Enter the total gross business receipts received from all City of Nicholasville sources during the tax period.
- Gross Receipts, Column B: Enter the total gross business receipts received from all Jessamine Co. sources including City of Nicholasville during the tax period.
- Gross Receipts, Column C: Enter the total gross business receipts received from all sources. This amount should equal the total gross business receipts listed on the federal return.
- Gross Receipts, Column D: Divide Column A by Column C. Enter the result in Gross Receipts, Column D. Carry out at least 4 places.
- Gross Receipts, Column E: Divide Column B by Column C. Enter the result in Gross Receipts, Column E. Carry out at least 4 places.

Payroll Factor

- Wages, Column A: Enter the total wages, salaries, commissions and other compensation paid for work done or services performed or rendered **within the City of Nicholasville** during the tax period.
- Wages, Column B: Enter the total wages, salaries, commissions and other compensation paid for work done or services performed or rendered **within Jessamine County include wages paid in the City of Nicholasville** during the tax period.
- Wages, Column C: Enter the total wages, salaries, commissions and other compensation paid for work done or services performed or rendered in **all business locations** during the tax period. This amount should equal the total salaries and wages listed on the federal return.
- ** Do not include the cost of contract labor in either Column ****
- Wages, Column D: Divide Column A by Column C. Enter the result in Wages, Column D. Carry out 4 places.
- Wages, Column E: Divide Column B by Column C. Enter the result in Wages, Column E. Carry out 4 places.
- Total Percentage, Column D: Add the percentages in Column D, Lines 1 and 2. Enter the result on Line 3, Column D.
- Total Percentage, Column E: Add the percentages in Column E, Lines 1 and 2. Enter the result on Line 3, Column E.
- Average Percentage, Column D: Divide Line 3, Column D by the number of percents used on Lines 1 and 2, Column D. Enter the result on Line 4, Column D and Line 2, Section 1, City of Nicholasville.

Average Percentage, Column E: Divide Line 3, Column E by the number of percents used on Lines 1 and 2, Column E. Enter the result on Line 4, Column E and Line 2, Section 1, Jessamine County.

Note: If one of the factors (business receipts or payroll) is missing, the remaining factor is the average allocation percentage (Line 2 of Section 1). A factor is considered missing if:

- 1) With regard to the business receipts factor, a licensee's entire business operation did not recognize any business receipts. (i.e. Section 2, Line 1, Columns A and B both equal zero)
- 2) With regard to the payroll factor, a licensee's entire business operation did not incur any expenditures for payroll. (i.e. Section 2, Line 2, Columns A and B both equal zero)

SECTION 3: WORKSHEET INSTRUCTIONS

Refer to the following list to determine which column should be used in completing the Worksheet:

- **W-2:** Employees receiving salaries, wages, commissions, etc from which no license fee was withheld should complete Form JCOT 1, Annual Return of License Fee Withheld instead of the Net Profits License Fee Return
- **1099-Misc:** Individuals receiving payments for contract services who are not claiming business expenses and do not foresee claiming business expenses in the future may complete Form JCOT 1, Annual Return of License Fee Withheld instead of the Net Profits License Fee Return
- **Schedule C, C-EZ, E or F:** Individuals receiving income from the operation of a trade, business or profession should complete the column marked Individual
- **Form 1065:** Partnerships should complete the column marked Partnership
- **Form 1120, 1120A, 1120S:** Corporations should complete the column marked Corporation and S-corp
- **Form 1041 and other associations:** Fiduciaries and all others should complete the column marked Other
- **Limited liability companies:** LLC's have the same entity classification as that elected for federal income tax filings and shall be assessed occupational license fees accordingly. Complete the column that corresponds to your federal tax filing.

Line 1: Enter the amount of non-employee compensation reported on federal Form 1099 MISC on Line 1. Note: Line 1 should only be completed by individuals who received payments for contract services who are not claiming business expenses and did not own or operate a business during the year (attach a copy of federal Form 1040 and Form 1099 MISC)

Line 2: Enter the net profit or (loss) per federal Schedule C, C-EZ, E and F (attach a copy of federal Form 1040 and all applicable schedule(s)).

- For sole proprietors using **Schedule E** from a jointly filed federal Form 1040 and net income (loss) from rental real estate activities can be combined with the net income (loss) from other sole proprietorships of one or both spouses using any reasonable method. The election to file using a certain method is considered to be made on the initial return filed with the Jessamine County Occupational Tax Office and must be consistently filed on all future returns.
- **Schedule F:** Farm income should be reported only if the farm is located within Jessamine County. **Reminder:** Funds received from the state as a share of the tobacco settlement funds to be paid to farmers are exempt from inclusion in net profits
- **Sole proprietors and single member LLC's** filing as sole proprietors for federal income tax purposes may combine on a single Net Profits License Fee Return the net profits or loss from two or more distinct businesses with activities within Jessamine County provided that all sole proprietorships are owned and operated by the same individual

Line 3: Enter 100% of the short term capital gains and long term capital gains carried over from federal Form 4797 or Form 6252 (installment sales) to federal Schedule D representing gain from the sale of property used in the trade or business. In addition, enter the net gain or (loss) from the sale of property used in the trade or business per federal Form 4797 (attach copy of federal Form 4797, Form 6252 and/or Schedule D)

Line 4: Enter the ordinary income or (loss) per federal Form 1065 (attach a copy of federal Form 1065, Schedule K and all supporting schedules)

Line 5: Enter the taxable income after special deductions and net operating loss per federal Form 1120 or 1120A (attach copy of federal form 1120 or 1120A and all supporting schedules)

Line 6: Enter the ordinary income or (loss) per federal Form 1120S (attach copy of federal Form 1120S, Schedule K and all supporting schedules)

Line 7: The following income items which are allocated to the partners or shareholders are not included as income on federal Form 1065 or Form 1120S and thus must be added to income on Line 7:

Net income from rental real estate activities

Net long term capital gain

Net income from other rental activities
Interest income
Dividend income
Royalty income
Other income items per Schedule K (attach copy)

Other portfolio income
Guaranteed payment to partners
Net gain under Sec 1231 (other than due to casualty or theft)
Net short-term capital gain

Line 8: Enter all other business income not included on Lines 1-7. Fiduciaries should complete Line 8 based upon the taxable income from federal Form 1041 (attach copy of federal Form 1041 and other documentation necessary to support the items included)

Line 9: Add Lines 1 through 8 to determine total business income. Enter the total on Line 9.

Line 10: The following items which are allocated to the partners and shareholders are not included in losses or expenses on federal Form 1065 or Form 1120S and are allowed as deductions for license fee purposes on Line 10:

Net loss from rental real estate activities
Net loss from other rental activities
Portfolio loss
Deductions related to portfolio income
Other allowable deductions per Schedule K (attach Schedule)
Sec 179 expense

Net long-term capital loss
Net loss under Sec 1231 (other than due to casualty loss or theft)
Net short-term capital loss
Charitable contributions

Line 11: Deduct Line 10 from Line 9 to determine net business income. Enter the result on Line 11.

Line 12: If a deduction is taken for state or local taxes (based on income) or license fees (based on income), regardless of jurisdiction, by an individual on federal Schedule C, C-EZ, E or F or on federal Form 1120, 1120A, 1120S or 1065 then the amount of those taxes or license fees should be entered on Line 12.

Line 13: If a deduction is taken on federal Form 1120 for a net operating loss then the amount of the net operating loss should be entered on Line 13.

Line 14: If a deduction was taken on Form 1065 for partners' salaries from which the license fee was not withheld then enter the amount on Line 14 (attach schedule). **Do not include amounts previously listed as guaranteed payments to partners on Line 7.**

Line 15: If a deduction was taken for expenses associated with income not subject to the license fee then enter the amount on Line 15 (attach full explanation, including amounts, of all items)

Line 16: If a deduction was taken for any other amount that is deemed to be not deductible then enter the amount on Line 16 (attach full explanation, including amounts, of all items):

***Form 1041:** This line should be used to add back the amount of the income distribution deduction since this is not an allowable deduction for purposes of the Net Profits License Fee Return.

***Real Estate Investment Trusts:** This line should be used to add back the amount of the total deduction for dividends paid and the Section 857(b)(2)(E) deduction since these are not allowable deductions for purposes of the Net Profits License Fee Return

Line 17: Add Lines 12 through 16. Enter the total on Line 17.

Line 18: Enter the amount of interest income attributable to U.S. obligations included in Lines 1-9.

Line 19: Enter the amount of any IRC Section 78 foreign dividend gross-up included in Lines 1-9 and any IRC Section 951 Subpart F income included in Lines 1-9 but not actually received.

Line 20: Follow the instructions below for computing the alcoholic beverage deduction (attach a copy of the computation sheet):

Kentucky Alcoholic Beverage Sales divided by Total Sales = Alcoholic Beverage Percentage

Multiply the alcoholic beverage percentage by the net profit of the **business engaged in the sale of alcoholic beverages** to determine the allowable deduction. Note: A deduction may be taken only if the business engaged in selling of the alcoholic beverages had a profit.

Line 21: If any other income included in Line 9 is deemed not subject to the license fee then enter the amount on allowable expenses for which the licensee elected to take a credit against its federal income tax liability in lieu of a deduction for business expenses otherwise available to the licensee. For example, wages and salary expense that is reduced as a result of the work opportunity tax credit and payroll tax expense that is reduced as a result of the federal FICA tax credit on tip income.

Line 22: Add Lines 18 through 21. Enter the total on Line 22.

Line 23: Add Lines 11 and 17, then deduct Line 22, to determine the **adjusted net business income. Enter here and in Section 1, Line 1.**

2023

For calendar year 2023, or tax
year beginning _____
ending _____

OMB No. 1545-0123

Part III Shareholder's Share of Current Year Income, Deductions, Credits, and Other Items

For IRS Use Only

SCHEDULE K-1 NONDEDUCTIBLE EXPENSES, BOX 16, CODE C

DESCRIPTION	AMOUNT	SHAREHOLDER FILING INSTRUCTIONS
ENTERTAINMENT	2,439.	
EXCLUDED MEALS EXPENSES	5,942.	SEE SHAREHOLDERS INSTRUCTIONS
GIFTS	68.	
TOTAL	8,449.	

SCHEDULE K-1 SECTION 199A ADDITIONAL INFORMATION

THE SECTION 199A AMOUNTS TO BE USED IN THE CALCULATION OF THE QUALIFIED BUSINESS INCOME DEDUCTION ON YOUR 1040/1041 RETURN ARE REPORTED ON LINE 17, UNDER CODE V. PLEASE CONSULT YOUR TAX ADVISOR REGARDING THE CALCULATION OF QUALIFIED BUSINESS INCOME DEDUCTION, INCLUDING THE POSSIBLE AGGREGATIONS AND LIMITATIONS THAT MAY APPLY AND THE FILING OF THE 1.199A-4(C)(2)(I) ANNUAL DISCLOSURE STATEMENT.

SCHEDULE K-1 SECTION 199A ITEMS, BOX 17
CODE V

DESCRIPTION	AMOUNT
TRADE OR BUSINESS	
ORDINARY INCOME(LOSS)	-129,611.
W-2 WAGES	652,344.
UNADJUSTED BASIS	379,674.

SCHEDULE K-1 GROSS RECEIPTS FOR SECTION 448(C), BOX 17, CODE AC

DESCRIPTION	AMOUNT
GROSS RECEIPTS - CURRENT YEAR	6,303,975.

SCHEDULE K-1 SCHEDULE K-3 NOTIFICATION

THE SCHEDULE K-3 HAS NOT BEEN PREPARED FOR YOU. YOU WILL NOT
RECEIVE A COPY OF THE SCHEDULE UNLESS YOU REQUEST ONE.

SCHEDULE K-1 EXCESS BUSINESS LOSS LIMITATION, BOX 17, CODE AJ

DESCRIPTION	AMOUNT	SHAREHOLDER FILING INSTRUCTIONS
AGGREGATE BUSINESS ACTIVITY GROSS INCOME OR GAIN	2,085,647.	SEE IRS SCH. K-1 INSTRUCTIONS
AGGREGATE BUSINESS ACTIVITY DEDUCTIONS	2,215,258.	SEE IRS SCH. K-1 INSTRUCTIONS

List of Codes

This list identifies the codes used on Schedule K-1 for all shareholders. For detailed reporting and filing information, see the specific line instructions, earlier, and the instructions for your income tax return.

Box 10. Other income (loss)

Code

<u>A</u>	Other portfolio income (loss)
<u>B</u>	Involuntary conversions
<u>C</u>	Section 1256 contracts and straddles
<u>D</u>	Mining exploration costs recapture
<u>E</u>	Section 951A(a) income inclusions
<u>F</u>	Inclusions of subpart F income
<u>G</u>	Section 951(a)(1)(B) inclusions
<u>H</u>	Reserved for future use
<u>I</u>	Gain (loss) from disposition of oil, gas, geothermal, or other mineral properties
<u>J</u>	Recoveries of tax benefit items
<u>K</u>	Gambling gains and losses
<u>L</u>	Reserved for future use
<u>M</u>	Gain eligible for section 1045 rollover (replacement stock purchased by the corporation)
<u>N</u>	Gain eligible for section 1045 rollover (replacement stock not purchased by the corporation)
<u>O</u>	Sale or exchange of QSB stock with section 1202 exclusion
<u>P-R</u>	Reserved for future use
<u>S</u>	Non-portfolio capital gain (loss)
<u>T-X</u>	Reserved for future use
<u>ZZ</u>	Other income (loss)

Box 12. Other deductions

<u>A</u>	Cash contributions (60%)
<u>B</u>	Cash contributions (30%)
<u>C</u>	Noncash contributions (50%)
<u>D</u>	Noncash contributions (30%)
<u>E</u>	Capital gain property to a 50% limit organization (30%)
<u>F</u>	Capital gain property (20%)
<u>G</u>	Contributions (100%)
<u>H</u>	Investment interest expense
<u>I</u>	Deductions - Royalty income
<u>J</u>	Section 59(e)(2) expenditures
<u>K</u>	Reserved for future use

<u>L</u>	Deductions - Portfolio income (other)
<u>M</u>	Preproductive period expenses
<u>N</u>	Reserved for future use
<u>O</u>	Reforestation expense deduction
<u>P-V</u>	Reserved for future use
<u>W</u>	Soil and water conservation
<u>X</u>	Film, television, and theatrical production expenditures
<u>Y</u>	Expenditures for removal of barriers
<u>Z</u>	Itemized deductions
<u>AA</u>	Contributions to a capital construction fund (CCF)
<u>AB</u>	Penalty on early withdrawal of savings
<u>AC</u>	Interest expense allocated to debt financed distributions
<u>AD-AJ</u>	Reserved for future use
<u>ZZ</u>	Other deductions

Box 13. Credits

<u>A</u>	Zero-emission nuclear power production credit
<u>B</u>	Production from advanced nuclear power facilities credit
<u>C</u>	Low-income housing credit (section 42(j)(5)) from post-2007 buildings
<u>D</u>	Low-income housing credit (other) from post-2007 buildings
<u>E</u>	Qualified rehabilitation expenditures (rental real estate)
<u>F</u>	Other rental real estate credits
<u>G</u>	Other rental credits
<u>H</u>	Undistributed capital gains credit
<u>I</u>	Biofuel producer credit
<u>J</u>	Work opportunity credit
<u>K</u>	Disabled access credit
<u>L</u>	Empowerment zone employment credit
<u>M</u>	Credit for increasing research activities
<u>N</u>	Credit for employer social security and Medicare taxes
<u>O</u>	Backup withholding
<u>P</u>	Unused investment credit from the qualifying advanced coal project credit or qualifying gasification project credit allocated from cooperatives

<u>Q</u>	Unused investment credit from the qualifying advanced energy project credit allocated from cooperatives
<u>R</u>	Unused investment credit from the advanced manufacturing investment credit allocated from cooperatives
<u>S</u>	Reserved for future use
<u>T</u>	Unused investment credit from the energy credit allocated from cooperatives
<u>U</u>	Unused investment credit from the rehabilitation credit allocated from cooperatives
<u>V</u>	Advanced manufacturing production credit
<u>W-X</u>	Reserved for future use
<u>Y</u>	Clean hydrogen production credit
<u>Z</u>	Orphan drug credit
<u>AA</u>	Enhanced oil recovery credit
<u>AB</u>	Renewable electricity production credit
<u>AC</u>	Biodiesel, renewable diesel, or sustainable aviation fuels credit
<u>AD</u>	New markets credit
<u>AE</u>	Credit for small employer pension plan startup costs
<u>AF</u>	Credit for small employer auto-enrollment
<u>AG</u>	Credit for military spouse participation
<u>AH</u>	Credit for employer-provided childcare facilities and services
<u>AI</u>	Low sulfur diesel fuel production credit
<u>AJ</u>	Qualified railroad track maintenance credit
<u>AK</u>	Credit for oil and gas production from marginal wells
<u>AL</u>	Distilled spirits credit
<u>AM</u>	Energy efficient home credit
<u>AN</u>	Alternative motor vehicle credit
<u>AO</u>	Alternative fuel vehicle refueling property credit
<u>AP</u>	Clean renewable energy bond credit
<u>AQ</u>	New clean renewable energy bond credit
<u>AR</u>	Qualified energy conservation bond credit
<u>AS</u>	Qualified zone academy bond credit
<u>AT</u>	Qualified school construction bond credit
<u>AU</u>	Build America bond credit

AV Credit for employer differential wage payments
AW Carbon oxide sequestration credit
AX Carbon oxide sequestration credit recapture
AY New clean vehicle credit
AZ Qualified commercial clean vehicle credit
BA Credit for small employer health insurance premiums
BB Employer credit for paid family and medical leave
BC Eligible credits from transferor(s) under section 6418
BD-BG Reserved for future use
ZZ Other credits

Box 15. Alternative minimum tax (AMT) items

A Post-1986 depreciation adjustment
B Adjusted gain or loss
C Depletion (other than oil & gas)
D Oil, gas, & geothermal-Gross income
E Oil, gas, & geothermal-Deductions
F Other AMT items

Box 16. Items affecting shareholder basis

A Tax-exempt interest income

B Other tax-exempt income
C Nondeductible expenses
D Distributions
E Repayment of loans from shareholders
F Foreign taxes paid or accrued

Box 17. Other information

A Investment income
B Investment expenses
C Qualified rehabilitation expenditures (other than rental real estate)
D Basis of energy property
E Recapture of low-income housing credit (section 42(j)(5))
F Recapture of low-income housing credit (other)
G Recapture of investment credit
H Recapture of other credits
I Look-back interest-Completed long-term contracts
J Look-back interest-income forecast method
K Dispositions of property with section 179 deductions
L Recapture of section 179 deduction
M Section 453(l)(3) information
N Section 453A(c) information
O Section 1260(b) information

P Interest allocable to production expenditures
Q Capital construction fund (CCF) nonqualified withdrawals
R Depletion information-Oil and gas
S-T Reserved for future use
U Net investment income
V Section 199A information
W-Z Reserved for future use
AA Excess taxable income
AB Excess business interest income
AC Gross receipts for section 448(c)
AD-AI Reserved for future use
AJ Excess business loss limitation
AK-AM Reserved for future use
AN Farming and fishing income
AO Reserved for future use
AP Inversion gain
AQ-AR Reserved for future use
AS Qualifying advanced coal project property and qualifying gasification project property
AT Qualifying advanced energy project property
AU Advanced manufacturing investment property
AV Reserved for future use
AW Reportable transactions
AX-BD Reserved for future use
ZZ Other information

Form **7203**(Rev. December 2022)
Department of the Treasury
Internal Revenue Service**S Corporation Shareholder Stock and
Debt Basis Limitations**

OMB No. 1545-2302

Attach to your tax return.

Go to www.irs.gov/Form7203 for instructions and the latest information.Attachment
Sequence No. **203**Name of shareholder **BRADLY J. PAGEL** Identifying number **8010**A Name of S corporation **LEXINGTON BLUE, INC.** B Employer identification number **5063**

C Stock block (see instructions):

D Check applicable box(es) to indicate how stock was acquired:

(1) ☐ Original shareholder (2) ☐ Purchased (3) ☐ Inherited (4) ☐ Gift (5) ☐ Other:E Check if you have a Regulations section 1.1367-1(g) election in effect during the tax year for this S corporation ☐**Part I Shareholder Stock Basis**

1	Stock basis at the beginning of the corporation's tax year	1	241,629.
2	Basis from any capital contributions made or additional stock acquired during the tax year	2	
3a	Ordinary business income (enter losses in Part III)	3a	
b	Net rental real estate income (enter losses in Part III)	3b	
c	Other net rental income (enter losses in Part III)	3c	
d	Interest income	3d	4,055.
e	Ordinary dividends	3e	
f	Royalties	3f	
g	Net capital gains (enter losses in Part III)	3g	
h	Net section 1231 gain (enter losses in Part III)	3h	
i	Other income (enter losses in Part III)	3i	
j	Excess depletion adjustment	3j	
k	Tax-exempt income	3k	
l	Recapture of business credits	3l	
m	Other items that increase stock basis	3m	
4	Add lines 3a through 3m	4	4,055.
5	Stock basis before distributions. Add lines 1, 2, and 4	5	245,684.
6	Distributions (excluding dividend distributions) Note: If line 6 is larger than line 5, subtract line 5 from line 6 and report the result as a capital gain on Form 8949 and Schedule D. See instructions.	6	370,560.
7	Stock basis after distributions. Subtract line 6 from line 5. If the result is zero or less, enter -0-, skip lines 8 through 14, and enter -0- on line 15	7	0.
8a	Nondeductible expenses	8a	
b	Depletion for oil and gas	8b	
c	Business credits (sections 50(c)(1) and (5))	8c	
9	Add lines 8a through 8c	9	
10	Stock basis before loss and deduction items. Subtract line 9 from line 7. If the result is zero or less, enter -0-, skip lines 11 through 14, and enter -0- on line 15	10	0.
11	Allowable loss and deduction items. Enter the amount from line 47, column (c)	11	
12	Debt basis restoration (see net increase in instructions for line 23)	12	
13	Other items that decrease stock basis	13	
14	Add lines 11, 12, and 13	14	
15	Stock basis at the end of the corporation's tax year. Subtract line 14 from line 10. If the result is zero or less, enter -0-	15	0.

Part II Shareholder Debt Basis**Section A - Amount of Debt** (If more than three debts, see instructions.)

Description	(a) Debt 1	(b) Debt 2	(c) Debt 3	(d) Total
	☐ Formal note ☐ Open account	☐ Formal note ☐ Open account	☐ Formal note ☐ Open account	
16 Loan balance at the beginning of the corporation's tax year				
17 Additional loans (see instructions)				
18 Loan balance before repayment. Add lines 16 and 17				
19 Principal portion of debt repayment (this line doesn't include interest)	()	()	()	()
20 Loan balance at the end of the corporation's tax year. Subtract line 19 from line 18				

Part II Shareholder Debt Basis (continued)**Section B - Adjustments to Debt Basis**

Description	(a) Debt 1	(b) Debt 2	(c) Debt 3	(d) Total
21 Debt basis at the beginning of the corporation's tax year				
22 Enter the amount, if any, from line 17				
23 Debt basis restoration (see instructions)				
24 Debt basis before repayment. Add lines 21, 22, and 23				
25 Divide line 24 by line 18				
26 Nontaxable debt repayment. Multiply line 25 by line 19				
27 Debt basis before nondeductible expenses and losses. Subtract line 26 from line 24				
28 Nondeductible expenses and oil and gas depletion deductions in excess of stock basis				
29 Debt basis before losses and deductions. Subtract line 28 from line 27. If the result is zero or less, enter -0-				
30 Allowable losses in excess of stock basis. Enter the amount from line 47, column (d) ...				
31 Debt basis at the end of the corporation's tax year. Subtract line 30 from line 29. If the result is zero or less, enter -0-				

Section C - Gain on Loan Repayment

32 Repayment. Enter the amount from line 19				
33 Nontaxable repayments. Enter the amount from line 26				
34 Reportable gain. Subtract line 33 from line 32				

Part III Shareholder Allowable Loss and Deduction Items

Description	(a) Current year losses and deductions	(b) Carryover amounts (column (e)) from the previous year	(c) Allowable loss from stock basis	(d) Allowable loss from debt basis	(e) Carryover amounts
35 Ordinary business loss	129,611.				129,611.
36 Net rental real estate loss					
37 Other net rental loss					
38 Net capital loss					
39 Net section 1231 loss					
40 Other loss					
41 Section 179 deductions					
42 Charitable contributions	3,000.				3,000.
43 Investment interest expense					
44 Section 59(e)(2) expenditures					
45 Other deductions					
46 Foreign taxes paid or accrued					
47 Total loss. Add lines 35 through 46 for each column. Enter the total loss in column (c) on line 11 and enter the total loss in column (d) on line 30	132,611.				132,611.

K-1
(Form PTE)SCHEDULE
Commonwealth of Kentucky
Department of Revenue

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OWNER'S SHARE OF
INCOME, CREDITS, DEDUCTIONS, ETC.**2023**

Owner's identifying number

8010

Pass-through Entity's FEIN

5063

Kentucky Corporation/LLET
Account Number

514448

Owner's name, address, and ZIP code

BRADLY J. PAGEL
1301 MUMFORD LANE
LEXINGTON, KY 40513-1743

Pass-through entity's name, address, and ZIP code

Check if applicable: ☐ Qualified investment pass-through entityLEXINGTON BLUE, INC.
287 PASADENA DRIVE
LEXINGTON, KY 40503

Type of Pass-through Entity Issuing the K-1

☐ Partnership☒ S-corporation☐ General Partnership

A (1) Partnerships Only: Partner's share of liabilities

Enter partner's
percentage of:(i) Before change
or termination

(ii) End of Year

Nonrecourse \$

Profit Sharing %

Qualified nonrecourse financing \$

Loss Sharing %

Other \$

Ownership of capital %

(2) S-corporations Only: Owner's percentage of stock ownership for tax year

100.000000 %

B (1) Resident owner's taxable percentage of pro rata share items

B(1)

100%

(2) Nonresident owner's taxable percentage of pro rata share items
(see Schedule A instructions)

B(2)

93.1936 %

C What type of entity is this owner?

☒ Individual ☐ Estate ☐ Trust ☐ Single Member LLC ☐ General Partnership ☐ Corporation☐ S Corporation ☐ Other Pass-through Entity ☐ ESOP ☐ Tax Exempt

D Check the box if nonresident owner's income is reported on:

☐ Kentucky Nonresident Income Tax Withholding on Distributive Share Income Report
(Form 740NP-WH and Form PTE-WH)

E Check the box if applicable:

(1) ☐ Final K-1(2) ☐ Amended K-1**IMPORTANT:** Refer to Owner's Instructions for Schedule K-1 before entering information from Schedule K-1 on your tax return.**SECTION A****Pro Rata Share Items****Total Amount****Income (Loss) and Deductions**1 Kentucky ordinary income (loss) from trade or
business activities

▶ 1

<152,722> 00

2 Net income (loss) from rental real estate activities

▶ 2

00

3 Net income (loss) from other rental activities

▶ 3

00

4 Portfolio income (loss):

(a) Interest income

▶ 4(a)

4,055 00

(b) Dividend income

▶ 4(b)

00

(c) Royalty income

▶ 4(c)

00

(d) Net short-term capital gain (loss)

▶ 4(d)

00

(e) Net long-term capital gain (loss)

▶ 4(e)

00

(f) Other portfolio income (loss) (attach schedule)

▶ 4(f)

00

SCHEDULE K-1
(FORM PTE)
(2023)

Page 2 of 4

Income (Loss) and Deductions, continued

5	Partnerships only: Guaranteed payments to partners	▶ 5		00
6	IRC §1231 net gain (loss)(other than due to casualty or theft)	▶ 6		00
7	Other income (loss) (attach schedule)	▶ 7		00
8	Charitable contributions (attach schedule)	▶ 8	3,000	00
9	IRC §179 expense deduction (attach federal Form 4562 and Kentucky Form 4562)	▶ 9		00
10	Deductions related to portfolio income (loss) (attach schedule)	▶ 10		00
11	Other deductions (attach schedule)	▶ 11		00

Investment Interest

12	(a) Interest expense on investment debts	▶ 12(a)		00
	(b) (1) Investment income included on lines 4(a), 4(b), 4(c), and 4(f)	▶ b(1)	4,055	00
	(b) (2) Investment expenses included on line 10	▶ b(2)		00

Tax Credits - Nonrefundable (see instructions)

13	Enter the applicable tax credit			
	(a) ▶ _____	▶ 13(a)		00
	(b) ▶ _____	▶ 13(b)		00
	(c) ▶ _____	▶ 13(c)		00

General Partnerships Only - Tax Credits - Refundable

14	Certified rehabilitation tax credit (attach certification(s))	▶ 14		00
15	Kentucky Entertainment Incentive tax credit (attach certification(s))	▶ 15		00
16	Decontamination tax credit (attach certification(s))	▶ 16		00

Owner's identifying number

8010

Pass-through Entity's FEIN

5063

Kentucky Corporation/LLET
Account Number

514448

SCHEDULE K-1
(FORM PTE)
(2023)

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Page 3 of 4

OWNER'S SHARE OF INCOME, CREDITS, DEDUCTIONS, ETC.

SECTION A - continued

Pro Rata Share Items

Total Amount

Other Items

17 (a) Type of IRC §59(e)(2) expenditures ▶			
(b) Amount of IRC §59(e)(2) expenditures ▶ 17(b)			00
18 Tax-exempt interest income ▶ 18			00
19 Other tax-exempt income ▶ 19			00
20 Nondeductible expenses STMT ▶ 20	8,449		00
21 Property distributions (including cash) other than dividend distributions reported to you on Form 1099-DIV ▶ 21	370,560		00
22 Supplemental information required to be reported to each owner (attach schedule) ▶ 22			00
23 S-corporations only: Total dividend distributions paid from accumulated earnings and profits ▶ 23			00

SECTION B - LLET Pass-through Items (Required)

OWNER'S SHARE

1 Kentucky gross receipts ▶ 1	5,871,122		00
2 Total gross receipts ▶ 2	6,299,919		00
3 Kentucky gross profits ▶ 3	1,943,222		00
4 Total gross profits ▶ 4	2,085,146		00
5 Limited liability entity tax (LLET) nonrefundable credit ▶ 5			00

SECTION C - Apportionment Pass-through Items

OWNER'S SHARE

1 Kentucky receipts ▶ 1	5,871,122		00
2 Total receipts ▶ 2	6,299,919		00

Owner's identifying number

8010

Pass-through Entity's FEIN

5063

Kentucky Corporation/LLET
Account Number

514448

SCHEDULE K-1
(FORM PTE)
(2023)

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OWNER'S SHARE OF INCOME, CREDITS, DEDUCTIONS, ETC.

SECTION D - 3 - Factor Apportionment (KRS 141.121) OWNER'S SHARE

1	Kentucky property	▶ 1	377,257	00
2	Total property	▶ 2	377,257	00
3	Kentucky payroll	▶ 3	601,169	00
4	Total payroll	▶ 4	652,344	00

SECTION E - Resident Shareholder Adjustment

1	Combination of Kentucky Schedule K-1, Section A, lines 1 through 6, 9, and portions of lines 7 and 11. Add income amounts and subtract (loss) and deduction amounts (see instructions)	▶ 1	<148,667>	00
2	Combination of federal Schedule K-1, Form 1120S, lines 1 through 11, and portions of line 12 or federal Schedule K-1, Form 1065, lines 1 through 12, and portions of line 13. Add income amounts and subtract (loss) and deduction amounts (see instructions)	▶ 2	<125,556>	00
3	Enter the difference of lines 1 and 2 here and on appropriate line on Schedule M (see instructions)	▶ 3	<23,111>	00

Owner's identifying number

8010

Pass-through Entity's FEIN

5063

Kentucky Corporation/LLET
Account Number

514448

KY SCHEDULE K-1		NONDEDUCTIBLE EXPENSES
DESCRIPTION	AMOUNT	
ENTERTAINMENT	2,439.	
GIFTS	68.	
EXCLUDED MEALS EXPENSES	5,942.	
TOTAL TO SCHEDULE K-1, LINE 20	8,449.	

KENTUCKY	Shareholder Basis Worksheet	
Shareholder Number: 1	Year Ended: DECEMBER 31, 2023	
Shareholder Name:	S Corporation Name:	
BRADLY J. PAGEL	LEXINGTON BLUE, INC.	
Shareholder ID Number: 8010	S Corporation ID Number:	
Ownership Percentage: 100.000000 %	5063	

Stock Basis

1. a. Stock basis, beginning of year (Not less than zero)	281,314.	
b. Additional capital contributions		281,314.
2. Increases:		
a. Ordinary income from trade or business		
b. Net income from rental real estate activities		
c. Net income from other rental activities		
d. Net short-term capital gains		
e. Net long-term capital gains		
f. Other portfolio income	4,055.	
g. Net gain under Section 1231		
h. Other income		
i. Tax exempt interest income		
j. Other tax-exempt income		
k. Section 179 recapture		
l. Depletion (other than oil and gas) in excess of basis		
m. Other increases:		
3. Total increases (Add lines 2(a) through 2(m))		4,055.
4. Total increases to stock basis (Add lines 1 and 3)		285,369.
5. Less: Distributions		370,560.
6. Subtract line 5 from line 4 (Not less than zero)		
7. Decreases:		
a. Ordinary losses from trade or business	152,722.	
b. Net losses from rental real estate activities		
c. Net losses from other rental activities		
d. Net short-term capital losses		
e. Net long-term capital losses		
f. Other portfolio losses		
g. Net losses under Section 1231		
h. Other deductions		
i. Charitable contributions	3,000.	
j. Section 179 expense deduction		
k. Deductions related to portfolio income (losses)		
l. Interest expense on investment debts		
m. Foreign taxes paid or accrued		
n. Section 59(e) expenditures		
o. Nondeductible expenses	8,449.	
p. Oil and gas depletion		
q. Other decreases:		
r. Disallowed prior year's losses and deductions		
8. Total decreases (Add lines 7(a) through 7(r))		164,171.
9. Net increases or decreases to basis (Subtract line 8 from line 6)		-164,171.
10. Less: Net increases applied to debt basis		
11. Stock basis, end of year (Subtract line 10 from line 9) (Not less than zero)		0.

KENTUCKY	Shareholder Basis Worksheet, Continued	
Shareholder Number: 1 Shareholder Name: BRADLY J. PAGEL		Year Ended: DECEMBER 31, 2023 Shareholder ID Number: 8010

Debt Basis

12. Debt basis, beginning of year (Not less than zero)		0.
13. Loans made during the year		
14. Restoration of debt basis (from line 10)		
15. Subtotal (Add lines 13 and 14)		
16. Less: Loan repayments		
17. Gain from loan repayments		
18. Other adjustments:		
19. Subtotal (Combine lines 12, 15, 16, 17 and 18)		
20. Applied against excess loss and deductions		
21. Debt basis, end of year (Not less than zero)		0.
22. Total shareholder stock and debt basis, end of year (Add lines 11 and 21) (Not less than zero)		0.

Gain on Distributions

23. Distributions		370,560.
24. Less: Basis before distributions		285,369.
25. Enter excess of line 23 over line 24 (capital gain)		85,191.

Carryover

26. Beginning of year		
27. Add: Losses and deductions this year		
28. Less: Applied this year		
29. Less: Excess nondeductible expenses		
30. End of year (Not less than zero)		

Total Disallowed Losses	Debt Basis Applied Against Excess Losses and Deductions
164,171.	
164,171.	



Department of
Taxation

Rev. 10/25/23

2023
Ohio IT K-1



10211411

Use only black ink and UPPERCASE letters.

Part I - Investor / Owner / Beneficiary and Entity Information

For calendar year 2023 or taxable year beginning _____ and ending _____

☐ Amended K-1

Pass-through entity / Fiduciary filing: ☐ IT 1140 ☒ IT 4708 ☐ IT 4738 ☐ Other

Investor's / owner's / beneficiary's SSN / FEIN 8010

Investor's / owner's / beneficiary's name and address

BRADLY J. PAGEL

1301 MUMFORD LANE

LEXINGTON, KY 40513-1743

Foreign State Code _____ Country Code _____

Entity FEIN 5063 NAICS code 236110

Entity name and address Entity type S-CORPORATION

LEXINGTON BLUE, INC.

287 PASADENA DRIVE

LEXINGTON, KY 40503

Foreign State Code _____ Country Code _____

Ownership %

	Beginning	Ending
Profit-sharing	<u>100.000000</u> %	<u>100.000000</u> %
Loss-sharing	<u>100.000000</u> %	<u>100.000000</u> %
Ownership of capital	<u>100.000000</u> %	<u>100.000000</u> %

Beneficiary's income distribution % (trust/estates only) _____ %

Apportionment Ratio

	Within Ohio	Total Everywhere
Property	<u>0</u> /	<u>379674</u>
Payroll	<u>51175</u> /	<u>652344</u>
Sales	<u>428797</u> /	<u>6299920</u>
Total apportionment ratio	<u>0.056528</u>	

Part II - Investor's / Owner's / Beneficiary's Ohio Depreciation Adjustments

1a. Current year IRC §168(k) bonus depreciation & §179 expense (fraction used 5/6) 1a. 3223 182

b. Total deduction of prior year IRC §168(k) bonus depreciation & §179 expense Ohio add-backs 1b. _____

Prior year Ohio add-backs and related year deduction						
Year and add-back fraction	20 /	20 /	20 /	20 /	20 /	20 /
Add-back amount						
Related deduction						

Part III - Investor's / Owner's / Beneficiary's Share of Ohio Income

	Total	Ohio
2a. Pass-through entity / electing pass-through entity / trust & estate income	<u>-125556</u>	<u>-7097</u>
b. Guaranteed payments or compensation (20% or greater investors only)	<u></u>	<u></u>
c. Net Ohio depreciation adjustment	<u>3223</u>	<u>182</u>
d. Total taxable income (sum of 2a through 2c for each column)	<u>-122333</u>	<u>-6915</u>

Part IV - Investor's / Owner's / Beneficiary's Share of Ohio Tax Credits

3. Direct pass-through entity credit (Ohio tax paid by this entity after nonrefundable business credits and refunds) 3. _____

3a. Total amount to be added back from direct tax paid on an IT 4738 (Line 1 of the EPTE Add-back Schedule) 3a. _____

3b. Total amount to be added back from direct entity tax paid to other states (Line 1 of the EPTE Add-back Schedule) 3b. _____

4. Indirect pass-through entity credits or withholding (attach IT K-1/W2/1099) 4. _____

Include the FEIN for any indirect pass-through entities _____

4a. Total amount to be added back from indirect tax paid on an IT 4738 (Line 2 of the EPTE Add-back Schedule) 4a. _____

4b. Total amount to be added back from indirect entity tax paid to other states (Line 2 of the EPTE Add-back Schedule) 4b. _____

5. Refundable job creation credit & job retention credit (include certificates) - % of credit claimed _____ % 5. _____

6. Refundable Ohio historic preservation credit (include certificates) - % of credit claimed _____ % 6. _____

7. Venture capital credit (include certificates) 7. _____

8. Motion picture & Broadway theatrical production credit (include certificates) - % of credit claimed _____ % 8. _____

9. Nonrefundable business credits (include certificates) 9. _____

List the specific credit _____

Part V - Supplemental Information



**Department of
Taxation**

Ohio IT K-1 EPTE Add-back Schedule



10211411

Attach this schedule to the Ohio IT K-1 to report the tax paid by this entity or by an electing pass-through entity directly or indirectly owned by this entity on the Ohio IT 4738, Electing Pass-Through Entity Income Tax Return and/or on another states entity income tax return. Include the electing pass-through entity tax paid (IT 4738 payments submitted) and income tax paid to other states in this schedule if it was included as a specified income tax payment and reflected in the partner's or shareholder's distributive or pro-rata share of non-separately stated income or loss reported on IRS Schedule K-1 or a similar form pursuant to IRS Notice 2020-75 or any similar guidance issued by the Internal Revenue Service.

An individual taxpayer is required to add back their proportionate share of IT 4738 and other states entity taxes paid on the IT 1040, Ohio Schedule of Adjustments, if not included in federal or Ohio adjusted gross income. A trust or estate is required to add back its proportionate share of IT 4738 and other states entity taxes paid on the IT 1041, Schedule II, if not included in federal or Ohio taxable income. Reporting this information to your partners or shareholders will assist in the proper determination of the add-back.

See R.C. 5747.01(A)(36), (A)(41), (S)(15), and (S)(16).

Line 1: Ohio IT 4738 and other states specified income tax payments reported by this entity for federal income tax purposes:

FEIN: Direct IT 4738 Tax Paid: Enter on line 3a of the Ohio IT K-1

Direct Tax Paid to Other States: Enter on line 3b of the Ohio IT K-1

Line 2: Ohio IT 4738 and other states specified income tax payments reported by an entity directly or indirectly owned by this entity for federal income tax purposes:

FEIN: Indirect Tax Paid:

Indirect Tax Paid to Other States:

FEIN: Indirect Tax Paid:

Indirect Tax Paid to Other States:

FEIN: Indirect Tax Paid:

Indirect Tax Paid to Other States:

FEIN: Indirect Tax Paid:

Indirect Tax Paid to Other States:

FEIN: Indirect Tax Paid:

Indirect Tax Paid to Other States:

Total Indirect IT 4738 Tax Paid: Enter on line 4a of the Ohio IT K-1

Total Indirect Tax Paid to Other States: Enter on line 4b of the Ohio IT K-1

Line 3: Ohio IT 4738 and other states specified income tax payments reported by this entity for federal income tax purposes:

Total IT 4738 Tax Paid:

Line 4: Other states specified income tax payments reported by this entity or an entity directly or indirectly owned by this entity for federal income tax purposes: