

INSTRUCTIONS

Mail the completed application to:

**Deputy Commissioner Mona Juett
Kentucky Tourism
500 Mero Street, Fifth Floor
Frankfort, KY 40601**

**Telephone: (502) 892-3320
Email: mona.juett@ky.gov**

- I. All applicants need to be aware that the following fees will be incurred as a result of participating in the Kentucky Tourism Development Act (KTDA) process:**
 - A. Consultant's Fee - The KTDA statute requires that the Tourism, Arts and Heritage Cabinet engage, after preliminary approval by the Kentucky Tourism Development Finance Authority (KT DFA), an independent third party consultant to review the application and related information to prepare a written report in connection with the KTDA request. The fee charged by the consultant will be the responsibility of the applicant.**
 - B. Authority Administrative Fee - The Kentucky Tourism Development Finance Authority requires a fee equal to 1/10 of 1% (0.1%) based upon the maximum tax refund amount in accordance with KRS 148.855. This fee is payable upon execution of the Financing Agreement. If the approved costs, as finally determined, are adjusted upward, the administrative fee will be increased to include the increase.**
 - C. Attorney Fees - Legal fees associated with the expense incurred by KT DFA's Counsel for legal costs associated with the project are payable by the approved company upon execution of the Financing Agreement in accordance with KRS 148.859.**

- II. The following items must be included for the application to be considered complete:**
 - A. Four complete sets of the application form.**
 - B. The Tourism, Arts and Heritage Cabinet Economic Incentive Disclosure Statement.**
 - C. Four complete sets of attachments on the following:**
 - 1. Business Plan**
 - a) Business history**
 - b) Description, location of and timetable for project**
 - c) Marketing plan**
 - d) Business and bank references**

(Continued)

2. Business Financial Information

- a) Last three years' financial statements.
- b) Last three years' tax returns unless audited financial statements provided.
- c) Interim financial statement within 90 days.
- d) Projections (quarterly income statement, balance sheet and cash flow for three years, plus assumption/notes) for proposed new project. For an existing tourism attraction planning an expansion, projections with and without proposed expansion.
- e) A detailed explanation on economic impact of project, to include how tourism attraction project:
 - (1) Shall attract the required number of visitors from among persons who are not residents of the Commonwealth;
 - (2) Shall have costs in excess of that required by statute;
 - (3) Shall be open to the public for the minimum number days per year as required by statute;
 - (4) Shall not adversely affect existing employment in the Commonwealth or be in direct competition with an existing tourism attraction; and,
 - (5) Shall produce tax revenues exceeding the requested sales tax refund amount.

By execution of the application, the applicant will be authorizing the disclosure of the information contained in the application to the Kentucky Department of Revenue in accordance with KRS 131.190.

3. For an Entertainment Destination Center, provide documentation on how the project conforms to KRS 148.855 (3) and detailed explanation of public infrastructure cost identified under #12 of the application.

4. Ownership and Key Management Information

- a) Resumes of owners identified in #5 of application and other key management.
- b) Authorization to investigate credit.
- c) Certificate of Existence or Certificate of Good Standing from Kentucky Secretary of State.

All attachments must be signed and dated.

Application for Kentucky Tourism Development Act (KTDA) Tax Refund Program

_____ **Date of Application**

FOR OFFICE USE ONLY

Application Number _____

1. Check appropriate box for tourism attraction project

<input type="checkbox"/> Cultural or Historical Site <input type="checkbox"/> Recreation or Entertainment Facility <input type="checkbox"/> Nature or Scenic Area <input type="checkbox"/> Kentucky Crafts & Products Center <input type="checkbox"/> Renovation of Lodging Facility <input type="checkbox"/> Theme Restaurant Destination Attraction	<input type="checkbox"/> Entertainment Destination Center <input type="checkbox"/> Lodging/Attraction Project <input type="checkbox"/> Lodging on State or Federal Property <input type="checkbox"/> Historic Lodging Structure <input type="checkbox"/> Legacy Expansion
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2. Company/Business Information

Corporate Name/Business Name

Mailing Address

Street and P. O. Box	City	County	State	Zip Code
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Contact Person	Telephone	Fax
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Project Address

Street	City	County	State	Zip Code
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Federal Employer ID Number	Kentucky Employer ID Number	SIC Code
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3. Taxpayer/Employer Organization

- Corporation Subchapter S Subchapter C Partnership Proprietorship
- Limited Liability Partnership Limited Liability Corporation
- Non-Profit Corporation

- Other Explain: _____

Date Business Established: _____ Company's Fiscal Year:

State of Corporation: _____ Date Incorporated:

Registered Agent Name/Address:

4. Has applicant previously participated in other Kentucky incentive programs? Y N

If yes, please indicate program, agency, amount, and approximate date:

5. Company Ownership: *Please identify the major owners of the company. Include all owners with 20% or more interest in the company. For subsidiaries, identify owners of the parent company; for a public company, indicate publicly traded.*

Name	Address	Phone	Social Security Number	Percent (%)

Does company (or parent company) have any other operations in Kentucky? Y N

If yes, please list name and location of other operations:

6. If any of the parties listed in #5 have ever been convicted of any criminal offenses, been in receivership or adjudicated a bankruptcy, been denied a business related license or had it suspended or revoked by any administrative, governmental or regulatory agency, please list violation and explain:

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7. Person to Review Legal Documents:

Company Attorney		Contact Person	
Street or P. O. Box	City	State	Zip Code
Telephone	Fax		

8. Bank of Account:

Bank of Account		Branch	
Account Officer	Telephone Fax		
Street or P. O.Box	City	State	Zip Code

Is bank of account also the lender for this project? Y N

If NO, please provide the following:

Name of Project Lender		Branch	
Account Officer	Telephone Fax		
Street or P. O. Box	City	State	Zip Code

Is the project lender also the interim lender? Y N

If NO, please provide the following:

Name of Interim Lender	Branch		
Account Officer	Telephone Fax		
Street or P. O. Box	City	State	Zip Code

9. Accountant:

Accountant	Contact Person		
Street or P. O.Box	City	State	Zip Code
Telephone	Fax		

10. New Project Information: *Complete this section if the project constitutes a new project or location for the applicant.*

Please provide brief description of project:

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Is the project: new operation
 acquisition of an existing operation - If so, does the project involve expansion to existing site? Y N

Project Site: _____ Acres Total Size of Facilities: _____ Square Feet

If you own the site, indicate: _____ Date of Purchase _____ Purchase Price

Is there a mortgage Y N? If yes, who holds the mortgage and what is the current balance of the mortgage?

Mortgage Holder	Balance
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If you lease the site, indicate owner of property:

Owner of Property	Address
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Lease Terms: *List terms, monthly rent and length of lease.*

Is there an option or contract to purchase the property?

If yes, please explain Y N **Option** Y N **Contract**

11. Expansion Project Information: *Complete this section only if the applicant is expanding its existing Kentucky facility.*

Please provide brief description of expansion

Does the project involve a relocation from an existing facility? Y N

If yes, please explain:

Does the project involve additions to existing operation? Y N

Present acreage _____ **Acreage** **Increased new acreage** _____ **Acreage**
Present square footage _____ **Sq Ft** **Increased square footage** _____ **Sq Ft**
If you own the site, indicate: _____ **Date of Purchase** _____ **Purchase Price**

Is there a mortgage Y N? **If yes, who holds the mortgage and what is the current balance of the mortgage?**

Mortgage Holder	Balance
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If you lease the site, indicate owner of property:

Owner of Property	Address
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Lease Terms: *List terms, monthly rent and length of lease.*

Existing lease terms:

Lease terms after expansion:

[Blank area for lease terms after expansion]

Is there an option or contract to purchase the property? If yes, please explain Y N Option
 Y N Contract

[Blank area for option or contract to purchase the property]

12. Project Financial Information

Estimated Project Costs

Land	\$
Building (new construction/additions)	\$
Improvements (existing buildings)	\$
Equipment	\$
Exhibits	\$
Building Fixtures	\$
Architectural & Engineering	\$
Public Infrastructure	\$
Other	\$
Total Project Costs	\$
KTDA Sales Tax Refund Requested	

Tax refund cannot exceed 25% of total project costs*. For Entertainment Destination Centers, there is the additional stipulation that tax refund cannot exceed total approved public infrastructure costs.

* Projects constructed on property under the control of the Kentucky Department of Parks, Kentucky Horse Park Commission, Kentucky State Fair Board or the National Park Service that include full service lodging facilities are eligible to recover up to 50% of development costs.

Proposed Project Financing

Source:

Bank Loan

\$ _____

Bond Issue

\$ _____

Other:

_____ \$ _____

_____ \$ _____

Equity

\$ _____

Total Sources of Funds

\$ _____

_____ **Project Start Date**

_____ **Anticipated Project Completion Date**

List Contractor, if known:

Contractor			
Street or P. O. Box	City	State	Zip Code
Telephone	Fax		

13. Employment Projections

	Full Time	Part Time	*Full Time Equivalent of Part Time	Total Full Time & Full Time Equivalent
Current number of jobs at project location				
New Jobs to be Created two years after project completion				
TOTALS				

*Full Time Equivalent = 1750 hours worked per annum

14. Attendance Projections (Upcoming Five Years)

For expansion projects, provide attendance for past five years by category:

Year	In-State Visitors	Out-of-State Visitors	Total Visitors	Percentage Out-of-State

For expansion and new projects, provide projected attendance figures for first five years upon completion of project:

Year	In-State Visitors	Out-of-State Visitors	Total Visitors	Percentage Out-of-State

What method did you use to arrive at these projections?

15. Will operation be open full year seasonal scheduled events

If seasonal or scheduled events, how many days a year will tourism attraction project be open to the public?

16. Marketing Plans

Do you have marketing plans? Y N

If yes, prepared by:

Does your marketing plan include advertising? Y N

Do you have an advertising agency? Y N If yes, please provide name and address:

[Empty text box for advertising agency name and address]

If your plan does not currently include advertising, what future plans do you have to advertise?

[Empty text box for future advertising plans]

What is proposed advertising budget for first five years and what percent will be in-state and out-of-state advertising?

Year	% In-State	% Out-of-State
1 _____	%	%
2 _____	%	%
3 _____	%	%
4 _____	%	%
5 _____	%	%

Please identify the types of media you plan to use and their percentages as based on an annual average expense:

- Television _____%
- Radio _____%
- Newspaper _____%
- Magazine _____%
- Other _____%

Please identify the primary markets from which your project will draw customers:

_____	_____
_____	_____
_____	_____

What method did you use to arrive at these markets?

Does your marketing plan include public relations efforts or other methods of advertising, such as direct marketing, outdoor advertising, web page, etc? Y N

If yes, identify additional methods:

17. Benefit Analysis Data

A. Provide the dollar amount & percent of the company's totals for:

	Before Project	After Project
Tangible KY property	\$ _____	\$ _____

- B. Please provide the following annual estimates for the first ten years of project operation. If the project is an expansion, include estimates only for the expansion, not the existing operation.

EMPLOYMENT		
Year	New Hire	Annual Payroll
1 ____		\$
2 ____		\$
3 ____		\$
4 ____		\$
5 ____		\$
6 ____		\$
7 ____		\$
8 ____		\$
9 ____		\$
10 ____		\$

What method did you use to arrive at these projections?

- C. List federal & state income tax liability for the previous three years for expansion projects and estimated federal & state income tax liability for the first three years for new or expansion projects:

EXPANSION PROJECTS (Past Three Years)		
Year	Federal	Kentucky
1 _____	\$	\$
2 _____	\$	\$
3 _____	\$	\$

EXPANSION OR NEW PROJECTS
(First Three Years Upon Completion of Project)

Year	Federal	Kentucky
1 _____	\$ _____	\$ _____
2 _____	\$ _____	\$ _____
3 _____	\$ _____	\$ _____

What method did you use to arrive at these projections?

D. Estimated revenue subject to Kentucky sales tax for first ten years upon completion of project (does not include Kentucky use tax):

Year	Total Sales	Sales From Existing Facility	Sales From Expansion	Sales From New Project
1 _____	\$ _____	\$ _____	\$ _____	\$ _____
2 _____	\$ _____	\$ _____	\$ _____	\$ _____
3 _____	\$ _____	\$ _____	\$ _____	\$ _____
4 _____	\$ _____	\$ _____	\$ _____	\$ _____
5 _____	\$ _____	\$ _____	\$ _____	\$ _____
6 _____	\$ _____	\$ _____	\$ _____	\$ _____
7 _____	\$ _____	\$ _____	\$ _____	\$ _____
8 _____	\$ _____	\$ _____	\$ _____	\$ _____
9 _____	\$ _____	\$ _____	\$ _____	\$ _____
10 _____	\$ _____	\$ _____	\$ _____	\$ _____

E. Estimated revenue from project subject to Kentucky sales tax by category for first ten years upon completion of project:

Year	Admissions	Food & Merchandise	Lodging	Total
1 _____	\$ _____	\$ _____	\$ _____	\$ _____
2 _____	\$ _____	\$ _____	\$ _____	\$ _____
3 _____	\$ _____	\$ _____	\$ _____	\$ _____
4 _____	\$ _____	\$ _____	\$ _____	\$ _____
5 _____	\$ _____	\$ _____	\$ _____	\$ _____
6 _____	\$ _____	\$ _____	\$ _____	\$ _____
7 _____	\$ _____	\$ _____	\$ _____	\$ _____
8 _____	\$ _____	\$ _____	\$ _____	\$ _____
9 _____	\$ _____	\$ _____	\$ _____	\$ _____
10 _____	\$ _____	\$ _____	\$ _____	\$ _____

F. Estimated additional revenue your project will bring to other businesses in the community the first ten years upon completion of project:

Year	Revenue
1 _____	\$ _____
2 _____	\$ _____
3 _____	\$ _____
4 _____	\$ _____
5 _____	\$ _____
6 _____	\$ _____
7 _____	\$ _____
8 _____	\$ _____
9 _____	\$ _____
10 _____	\$ _____

What method did you use to arrive at these projections?

G. List any existing tourism attractions in the Commonwealth similar to your proposed tourism attraction project:

1) _____

2) _____

3) _____

Certification of Application

I, the undersigned on behalf of the applicant, hereby represent and certify that the foregoing application information, including all attachments, to the best of my knowledge, is (a) true, complete and accurate with respect to the information concerning the proposed project for which financial incentives are being sought; and (b) does not contain any information for which an entity competing with the applicant may claim a proprietary interest. I also represent and certify that attraction shall not move forward without the sales tax refund incentive.

The undersigned, on behalf of the applicant, acknowledges that information contained within the application and its attachments may be subject to review by the Kentucky Revenue Cabinet to the extent required by the Kentucky Open Records Act or other applicable law.

Signature

Print Name

Title

Date

**TOURISM, ARTS & HERITAGE CABINET
ECONOMIC INCENTIVE DISCLOSURE STATEMENT**

INSTRUCTIONS: This Economic Incentive Disclosure Statement is required in order to process your economic incentive package with the Tourism, Arts and Heritage Cabinet. In accordance with the Executive Branch Code of Ethics, Chapter 11A of the Kentucky Revised Statutes ("KRS"), before any board or authority within or attached to the Tourism, Arts and Heritage Cabinet takes final action on any contract or agreement by which a bond, grant, lease, loan, assessment, incentive, inducement, or tax refund is awarded, the beneficiary of such contract or agreement must file with the approving board or authority a disclosure statement stating (i) the identify of the beneficiary of the economic incentive package, (ii) the identity of any person employed to act on behalf of the beneficiary with respect to the economic incentive package, (iii) the details of any financial transaction (as defined in KRS 11A.201(5)(a) between the beneficiary (or any other person listed as an employee or agent of the beneficiary) and any agent or public servant of the Tourism, Arts and Heritage Cabinet, any member of any board or authority within or attached to that Cabinet, or any other public servant involved in the negotiation of the economic incentive package.

NOTE: For purpose of KRS 11A.201(5)(a), "financial transaction" means a transaction or activity that is conducted or undertaken for profit and arises from the joint ownership, or the ownership, or part ownership in common, of any real or property or any commercial or business enterprise of whatever form or nature. Financial transaction does not include any transaction or activity available to the general public on the same terms.

NOTE: Final action on economic incentive packages will not be taken without receipt of this Economic Incentive Disclosure Statement. Upon final approval of the economic incentive package by the Kentucky Tourism Development Finance Authority, this Economic Incentive Disclosure Statement will be filed with the Executive Branch Ethics Commission. Beneficiaries of economic incentive packages are encouraged to consult with their legal counsel with respect to this Economic Incentive Disclosure Statement.

Beneficiary's Legal Name: _____

Type(s) of Economic Incentive Package(s): _____

Please identify all employees or agents of the Beneficiary which have acted on behalf of the Beneficiary in its dealing with the Tourism, Arts and Heritage Cabinet or any Board or Authority within or attached to the Tourism, Arts and Heritage Cabinet (please attach separate sheet if additional room is needed):

Name & Title: _____ Organization: _____

Please detail any "financial transactions" between the Beneficiary (or any other person listed as an employee or agent of the Beneficiary) and (i) any agent or public servant of the Tourism, Arts and Heritage Cabinet, (ii) any member of any board or authority within or attached to that Cabinet, or (iii) any other public servant involved in the negotiation of the economic incentive package (please attach separate sheet if additional room is needed):

1. Name of Agent or Employee of Beneficiary: _____

Name of Agent or Public Servant of Cabinet: _____

Description of Financial Transaction: _____

2. Name of Agent or Employee of Beneficiary: _____

Name of Agent or Public Servant of Cabinet: _____

Description of Financial Transaction: _____

3. Name of Agent or Employee of Beneficiary: _____

Name of Agent or Public Servant of Cabinet: _____

Description of Financial Transaction: _____

The undersigned, a duly authorized representative of the Beneficiary listed above, hereby certifies that the information set forth in this Economic Incentive Disclosure Statement has been reviewed, and is true and correct to the best of the knowledge of the undersigned.

Signature: _____

Date: _____