

Section 6. Calculating Uncompensated care for purposes of the deduction from gross revenue in Section 21(i) of Senate Bill 483.

1. The actual cost of uncompensated care shall be equal to the amount of the business entity's Operating Expenses multiplied by the Uncompensated Care Ratio where:

a) operating expenses are the amounts reported on line 2 and line 21, Internal Revenue Service Form 1065 or the amounts reported on line 2 and line 20, Internal Revenue Service Form 1120S or the corresponding line items from any other federal form filed for the federal tax year immediately preceding the year the Commerce Tax return became due, and allocated pursuant to Section 10 subsection 27 of LCB File No. R123.15, less any items that have already been subtracted from total revenue (e.g., bad debts);