

1 AN ACT relating to the taxation of firearms and ammunition.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 ➔Section 1. KRS 139.010 is amended to read as follows:

4 As used in this chapter, unless the context otherwise provides:

5 (1) (a) "Admissions" means the fees paid for:

6 1. The right of entrance to a display, program, sporting event, music
7 concert, performance, play, show, movie, exhibit, fair, or other
8 entertainment or amusement event or venue; and

9 2. The privilege of using facilities or participating in an event or activity,
10 including but not limited to:

11 a. Bowling centers;

12 b. Skating rinks;

13 c. Health spas;

14 d. Swimming pools;

15 e. Tennis courts;

16 f. Weight training facilities;

17 g. Fitness and recreational sports centers; and

18 h. Golf courses, both public and private;

19 regardless of whether the fee paid is per use or in any other form,
20 including but not limited to an initiation fee, monthly fee, membership
21 fee, or combination thereof.

22 (b) "Admissions" does not include:

23 1. Any fee paid to enter or participate in a fishing tournament; or

24 2. Any fee paid for the use of a boat ramp for the purpose of allowing boats
25 to be launched into or hauled out from the water;

26 (2) "Advertising and promotional direct mail" means direct mail the primary purpose of
27 which is to attract public attention to a product, person, business, or organization, or

1 to attempt to sell, popularize, or secure financial support for a product, person,
2 business, or organization. As used in this definition, "product" means tangible
3 personal property, an item transferred electronically, or a service;

4 (3) **(a) "Ammunition" means the material fired from any firearm.**

5 **(b) "Ammunition" includes:**

6 **1. Any complete round, shell, or cartridge;**

7 **2. Round, shell, or cartridge components;**

8 **3. Bullets;**

9 **4. Caps;**

10 **5. Cartridge cases;**

11 **6. Primers;**

12 **7. Projectiles; and**

13 **8. Propellant powders, including grades of black powder suitable**
14 **primarily for use in firearms;**

15 **(4)** "Business" includes any activity engaged in by any person or caused to be engaged
16 in by that person with the object of gain, benefit, or advantage, either direct or
17 indirect;

18 ~~(5)~~~~(4)~~ "Commonwealth" means the Commonwealth of Kentucky;

19 ~~(6)~~~~(5)~~ "Department" means the Department of Revenue;

20 ~~(7)~~~~(6)~~ (a) "Digital audio-visual works" means a series of related images which,
21 when shown in succession, impart an impression of motion, with
22 accompanying sounds, if any.

23 (b) "Digital audio-visual works" includes movies, motion pictures, musical
24 videos, news and entertainment programs, and live events.

25 (c) "Digital audio-visual works" shall not include video greeting cards, video
26 games, and electronic games;

27 ~~(8)~~~~(7)~~ (a) "Digital audio works" means works that result from the fixation of a

1 series of musical, spoken, or other sounds.

2 (b) "Digital audio works" includes ringtones, recorded or live songs, music,
3 readings of books or other written materials, speeches, or other sound
4 recordings.

5 (c) "Digital audio works" shall not include audio greeting cards sent by electronic
6 mail;

7 ~~(9)~~~~(8)~~ (a) "Digital books" means works that are generally recognized in the
8 ordinary and usual sense as books, including any literary work expressed in
9 words, numbers, or other verbal or numerical symbols or indicia if the literary
10 work is generally recognized in the ordinary or usual sense as a book.

11 (b) "Digital books" shall not include digital audio-visual works, digital audio
12 works, periodicals, magazines, newspapers, or other news or information
13 products, chat rooms, or Web logs;

14 ~~(10)~~~~(9)~~ (a) "Digital code" means a code which provides a purchaser with a right to
15 obtain one (1) or more types of digital property. A "digital code" may be
16 obtained by any means, including electronic mail messaging or by tangible
17 means, regardless of the code's designation as a song code, video code, or
18 book code.

19 (b) "Digital code" shall not include a code that represents:

- 20 1. A stored monetary value that is deducted from a total as it is used by the
21 purchaser; or
22 2. A redeemable card, gift card, or gift certificate that entitles the holder to
23 select specific types of digital property;

24 ~~(11)~~~~(10)~~ (a) "Digital property" means any of the following which is transferred
25 electronically:

- 26 1. Digital audio works;
27 2. Digital books;

- 1 3. Finished artwork;
- 2 4. Digital photographs;
- 3 5. Periodicals;
- 4 6. Newspapers;
- 5 7. Magazines;
- 6 8. Video greeting cards;
- 7 9. Audio greeting cards;
- 8 10. Video games;
- 9 11. Electronic games; or
- 10 12. Any digital code related to this property.
- 11 (b) "Digital property" shall not include digital audio-visual works or satellite
- 12 radio programming;
- 13 ~~(12)~~~~(11)~~ (a) "Direct mail" means printed material delivered or distributed by United
- 14 States mail or other delivery service to a mass audience or to addressees on a
- 15 mailing list provided by the purchaser or at the direction of the purchaser
- 16 when the cost of the items are not billed directly to the recipient.
- 17 (b) "Direct mail" includes tangible personal property supplied directly or
- 18 indirectly by the purchaser to the direct mail retailer for inclusion in the
- 19 package containing the printed material.
- 20 (c) "Direct mail" does not include multiple items of printed material delivered to
- 21 a single address;
- 22 ~~(13)~~~~(12)~~ "Directly used in the manufacturing or industrial processing process" means
- 23 the process that commences with the movement of raw materials from storage into a
- 24 continuous, unbroken, integrated process and ends when the finished product is
- 25 packaged and ready for sale;
- 26 ~~(14)~~~~(13)~~ (a) "Extended warranty services" means services provided through a service
- 27 contract agreement between the contract provider and the purchaser where the

1 purchaser agrees to pay compensation for the contract and the provider agrees
2 to repair, replace, support, or maintain tangible personal property or digital
3 property according to the terms of the contract if:

- 4 1. The service contract agreement is sold or purchased on or after July 1,
- 5 2018; and
- 6 2. The tangible personal property or digital property for which the service
- 7 contract agreement is provided is subject to tax under this chapter or
- 8 under KRS 138.460.

9 (b) "Extended warranty services" does not include the sale of a service contract
10 agreement for tangible personal property to be used by a small telephone
11 utility as defined in KRS 278.516 or a Tier III CMRS provider as defined in
12 KRS 65.7621 to deliver communications services as defined in KRS 136.602
13 or broadband as defined in KRS 278.5461;

14 ~~(15)~~~~(14)~~ (a) "Finished artwork" means final art that is used for actual reproduction by
15 photomechanical or other processes or for display purposes.

16 (b) "Finished artwork" includes:

- 17 1. Assemblies;
- 18 2. Charts;
- 19 3. Designs;
- 20 4. Drawings;
- 21 5. Graphs;
- 22 6. Illustrative materials;
- 23 7. Lettering;
- 24 8. Mechanicals;
- 25 9. Paintings; and
- 26 10. Paste-ups;

27 **(16) "Firearm" means any new, used, or antique weapon which includes an assembly**

1 of a barrel and an action or lock which will expel a projectile by the action of an
2 explosive;

3 ~~(17)~~~~(15)~~ (a) "Gross receipts" and "sales price" mean the total amount or
4 consideration, including cash, credit, property, and services, for which
5 tangible personal property, digital property, or services are sold, leased, or
6 rented, valued in money, whether received in money or otherwise, without any
7 deduction for any of the following:

- 8 1. The retailer's cost of the tangible personal property, digital property, or
9 services sold;
- 10 2. The cost of the materials used, labor or service cost, interest, losses, all
11 costs of transportation to the retailer, all taxes imposed on the retailer, or
12 any other expense of the retailer;
- 13 3. Charges by the retailer for any services necessary to complete the sale;
- 14 4. Delivery charges, which are defined as charges by the retailer for the
15 preparation and delivery to a location designated by the purchaser
16 including transportation, shipping, postage, handling, crating, and
17 packing;
- 18 5. Any amount for which credit is given to the purchaser by the retailer,
19 other than credit for tangible personal property or digital property traded
20 when the tangible personal property or digital property traded is of like
21 kind and character to the property purchased and the property traded is
22 held by the retailer for resale; and
- 23 6. The amount charged for labor or services rendered in installing or
24 applying the tangible personal property, digital property, or service sold.

25 (b) "Gross receipts" and "sales price" shall include consideration received by the
26 retailer from a third party if:

- 27 1. The retailer actually receives consideration from a third party and the

1 consideration is directly related to a price reduction or discount on the
2 sale to the purchaser;

3 2. The retailer has an obligation to pass the price reduction or discount
4 through to the purchaser;

5 3. The amount of consideration attributable to the sale is fixed and
6 determinable by the retailer at the time of the sale of the item to the
7 purchaser; and

8 4. One (1) of the following criteria is met:

9 a. The purchaser presents a coupon, certificate, or other
10 documentation to the retailer to claim a price reduction or discount
11 where the coupon, certificate, or documentation is authorized,
12 distributed, or granted by a third party with the understanding that
13 the third party will reimburse any seller to whom the coupon,
14 certificate, or documentation is presented;

15 b. The price reduction or discount is identified as a third-party price
16 reduction or discount on the invoice received by the purchaser or
17 on a coupon, certificate, or other documentation presented by the
18 purchaser; or

19 c. The purchaser identifies himself or herself to the retailer as a
20 member of a group or organization entitled to a price reduction or
21 discount. A "preferred customer" card that is available to any
22 patron does not constitute membership in such a group.

23 (c) "Gross receipts" and "sales price" shall not include:

24 1. Discounts, including cash, term, or coupons that are not reimbursed by a
25 third party and that are allowed by a retailer and taken by a purchaser on
26 a sale;

27 2. Interest, financing, and carrying charges from credit extended on the sale

1 of tangible personal property, digital property, or services, if the amount
2 is separately stated on the invoice, bill of sale, or similar document given
3 to the purchaser;

4 3. Any taxes legally imposed directly on the purchaser that are separately
5 stated on the invoice, bill of sale, or similar document given to the
6 purchaser; or

7 4. Local alcohol regulatory license fees authorized under KRS 243.075 that
8 are separately stated on the invoice, bill of sale, or similar document
9 given to the purchaser.

10 (d) As used in this subsection, "third party" means a person other than the
11 purchaser;

12 ~~(18)~~~~(16)~~ "In this state" or "in the state" means within the exterior limits of the
13 Commonwealth and includes all territory within these limits owned by or ceded to
14 the United States of America;

15 ~~(19)~~~~(17)~~ "Industrial processing" includes:

16 (a) Refining;

17 (b) Extraction of minerals, ores, coal, clay, stone, petroleum, or natural gas;

18 (c) Mining, quarrying, fabricating, and industrial assembling;

19 (d) The processing and packaging of raw materials, in-process materials, and
20 finished products; and

21 (e) The processing and packaging of farm and dairy products for sale;

22 ~~(20)~~~~(18)~~ (a) "Lease or rental" means any transfer of possession or control of tangible
23 personal property for a fixed or indeterminate term for consideration. A lease
24 or rental shall include future options to:

25 1. Purchase the property; or

26 2. Extend the terms of the agreement and agreements covering trailers
27 where the amount of consideration may be increased or decreased by

1 reference to the amount realized upon sale or disposition of the property
2 as defined in 26 U.S.C. sec. 7701(h)(1).

3 (b) "Lease or rental" shall not include:

- 4 1. A transfer of possession or control of property under a security
5 agreement or deferred payment plan that requires the transfer of title
6 upon completion of the required payments;
- 7 2. A transfer of possession or control of property under an agreement that
8 requires the transfer of title upon completion of the required payments
9 and payment of an option price that does not exceed the greater of one
10 hundred dollars (\$100) or one percent (1%) of the total required
11 payments; or
- 12 3. Providing tangible personal property and an operator for the tangible
13 personal property for a fixed or indeterminate period of time. To qualify
14 for this exclusion, the operator must be necessary for the equipment to
15 perform as designed, and the operator must do more than maintain,
16 inspect, or setup the tangible personal property.

17 (c) This definition shall apply regardless of the classification of a transaction
18 under generally accepted accounting principles, the Internal Revenue Code, or
19 other provisions of federal, state, or local law;

20 ~~(21)~~~~(19)~~ (a) "Machinery for new and expanded industry" means machinery:

- 21 1. Directly used in the manufacturing or industrial processing process of:
 - 22 a. Tangible personal property at a plant facility;
 - 23 b. Distilled spirits or wine at a plant facility or on the premises of a
24 distiller, rectifier, winery, or small farm winery licensed under
25 KRS 243.030 that includes a retail establishment on the premises;
 - 26 or
 - 27 c. Malt beverages at a plant facility or on the premises of a brewer or

1 microbrewery licensed under KRS 243.040 that includes a retail
2 establishment;

3 2. Which is incorporated for the first time into:

4 a. A plant facility established in this state; or

5 b. Licensed premises located in this state; and

6 3. Which does not replace machinery in the plant facility or licensed
7 premises unless that machinery purchased to replace existing machinery:

8 a. Increases the consumption of recycled materials at the plant
9 facility by not less than ten percent (10%);

10 b. Performs different functions;

11 c. Is used to manufacture a different product; or

12 d. Has a greater productive capacity, as measured in units of
13 production, than the machinery being replaced.

14 (b) "Machinery for new and expanded industry" does not include repair,
15 replacement, or spare parts of any kind, regardless of whether the purchase of
16 repair, replacement, or spare parts is required by the manufacturer or seller as
17 a condition of sale or as a condition of warranty;

18 ~~(22)~~~~(20)~~ "Manufacturing" means any process through which material having little or no
19 commercial value for its intended use before processing has appreciable commercial
20 value for its intended use after processing by the machinery;

21 ~~(23)~~~~(21)~~ "Marketplace" means any physical or electronic means through which one (1)
22 or more retailers may advertise and sell tangible personal property, digital property,
23 or services, or lease tangible personal property or digital property, such as a catalog,
24 Internet Web site, or television or radio broadcast, regardless of whether the
25 tangible personal property, digital property, or retailer is physically present in this
26 state;

27 ~~(24)~~~~(22)~~ (a) "Marketplace provider" means a person, including any affiliate of the

1 person, that facilitates a retail sale by satisfying subparagraphs 1. and 2. of this
2 paragraph as follows:

- 3 1. The person directly or indirectly:
 - 4 a. Lists, makes available, or advertises tangible personal property,
5 digital property, or services for sale by a marketplace retailer in a
6 marketplace owned, operated, or controlled by the person;
 - 7 b. Facilitates the sale of a marketplace retailer's product through a
8 marketplace by transmitting or otherwise communicating an offer
9 or acceptance of a retail sale of tangible personal property, digital
10 property, or services between a marketplace retailer and a
11 purchaser in a forum including a shop, store, booth, catalog,
12 Internet site, or similar forum;
 - 13 c. Owns, rents, licenses, makes available, or operates any electronic
14 or physical infrastructure or any property, process, method,
15 copyright, trademark, or patent that connects marketplace retailers
16 to purchasers for the purpose of making retail sales of tangible
17 personal property, digital property, or services;
 - 18 d. Provides a marketplace for making retail sales of tangible personal
19 property, digital property, or services, or otherwise facilitates retail
20 sales of tangible personal property, digital property, or services,
21 regardless of ownership or control of the tangible personal
22 property, digital property, or services, that are the subject of the
23 retail sale;
 - 24 e. Provides software development or research and development
25 activities related to any activity described in this subparagraph, if
26 the software development or research and development activities
27 are directly related to the physical or electronic marketplace

- 1 provided by a marketplace provider;
- 2 f. Provides or offers fulfillment or storage services for a marketplace
- 3 retailer;
- 4 g. Sets prices for a marketplace retailer's sale of tangible personal
- 5 property, digital property, or services;
- 6 h. Provides or offers customer service to a marketplace retailer or a
- 7 marketplace retailer's customers, or accepts or assists with taking
- 8 orders, returns, or exchanges of tangible personal property, digital
- 9 property, or services sold by a marketplace retailer; or
- 10 i. Brands or otherwise identifies sales as those of the marketplace
- 11 provider; and
- 12 2. The person directly or indirectly:
- 13 a. Collects the sales price or purchase price of a retail sale of tangible
- 14 personal property, digital property, or services;
- 15 b. Provides payment processing services for a retail sale of tangible
- 16 personal property, digital property, or services;
- 17 c. Through terms and conditions, agreements, or arrangements with a
- 18 third party, collects payment in connection with a retail sale of
- 19 tangible personal property, digital property, or services from a
- 20 purchaser and transmits that payment to the marketplace retailer,
- 21 regardless of whether the person collecting and transmitting the
- 22 payment receives compensation or other consideration in exchange
- 23 for the service; or
- 24 d. Provides a virtual currency that purchasers are allowed or required
- 25 to use to purchase tangible personal property, digital property, or
- 26 services.
- 27 (b) "Marketplace provider" includes but is not limited to a person that satisfies the

1 requirements of this subsection through the ownership, operation, or control
2 of a digital distribution service, digital distribution platform, online portal, or
3 application store;

4 ~~(25)~~~~(23)~~ "Marketplace retailer" means a seller that makes retail sales through any
5 marketplace owned, operated, or controlled by a marketplace provider;

6 ~~(26)~~~~(24)~~ (a) "Occasional sale" includes:

- 7 1. A sale of tangible personal property or digital property not held or used
8 by a seller in the course of an activity for which he or she is required to
9 hold a seller's permit, provided such sale is not one (1) of a series of
10 sales sufficient in number, scope, and character to constitute an activity
11 requiring the holding of a seller's permit. In the case of the sale of the
12 entire, or a substantial portion of the nonretail assets of the seller, the
13 number of previous sales of similar assets shall be disregarded in
14 determining whether or not the current sale or sales shall qualify as an
15 occasional sale; or
- 16 2. Any transfer of all or substantially all the tangible personal property or
17 digital property held or used by a person in the course of such an activity
18 when after such transfer the real or ultimate ownership of such property
19 is substantially similar to that which existed before such transfer.

20 (b) For the purposes of this subsection, stockholders, bondholders, partners, or
21 other persons holding an interest in a corporation or other entity are regarded
22 as having the "real or ultimate ownership" of the tangible personal property or
23 digital property of such corporation or other entity;

24 ~~(27)~~~~(25)~~ (a) "Other direct mail" means any direct mail that is not advertising and
25 promotional direct mail, regardless of whether advertising and promotional
26 direct mail is included in the same mailing.

27 (b) "Other direct mail" includes but is not limited to:

- 1 1. Transactional direct mail that contains personal information specific to
- 2 the addressee, including but not limited to invoices, bills, statements of
- 3 account, and payroll advices;
- 4 2. Any legally required mailings, including but not limited to privacy
- 5 notices, tax reports, and stockholder reports; and
- 6 3. Other nonpromotional direct mail delivered to existing or former
- 7 shareholders, customers, employees, or agents, including but not limited
- 8 to newsletters and informational pieces.

9 (c) "Other direct mail" does not include the development of billing information or

10 the provision of any data processing service that is more than incidental to the

11 production of printed material;

12 ~~(28)~~~~(26)~~ "Person" includes any individual, firm, copartnership, joint venture,

13 association, social club, fraternal organization, corporation, estate, trust, business

14 trust, receiver, trustee, syndicate, cooperative, assignee, governmental unit or

15 agency, or any other group or combination acting as a unit;

16 ~~(29)~~~~(27)~~ "Permanent," as the term applies to digital property, means perpetual or for an

17 indefinite or unspecified length of time;

18 ~~(30)~~~~(28)~~ "Plant facility" means a single location that is exclusively dedicated to

19 manufacturing or industrial processing activities. A location shall be deemed to be

20 exclusively dedicated to manufacturing or industrial processing activities even if

21 retail sales are made there, provided that the retail sales are incidental to the

22 manufacturing or industrial processing activities occurring at the location. The term

23 "plant facility" shall not include any restaurant, grocery store, shopping center, or

24 other retail establishment;

25 ~~(31)~~~~(29)~~ (a) "Prewritten computer software" means:

- 26 1. Computer software, including prewritten upgrades, that are not designed
- 27 and developed by the author or other creator to the specifications of a

1 specific purchaser;

2 2. Software designed and developed by the author or other creator to the
3 specifications of a specific purchaser when it is sold to a person other
4 than the original purchaser; or

5 3. Any portion of prewritten computer software that is modified or
6 enhanced in any manner, where the modification or enhancement is
7 designed and developed to the specifications of a specific purchaser,
8 unless there is a reasonable, separately stated charge on an invoice or
9 other statement of the price to the purchaser for the modification or
10 enhancement.

11 (b) When a person modifies or enhances computer software of which the person
12 is not the author or creator, the person shall be deemed to be the author or
13 creator only of the modifications or enhancements the person actually made.

14 (c) The combining of two (2) or more prewritten computer software programs or
15 portions thereof does not cause the combination to be other than prewritten
16 computer software;

17 ~~(32)~~~~(30)~~ (a) "Purchase" means any transfer of title or possession, exchange, barter,
18 lease, or rental, conditional or otherwise, in any manner or by any means
19 whatsoever, of:

- 20 1. Tangible personal property;
- 21 2. An extended warranty service;
- 22 3. Digital property transferred electronically; or
- 23 4. Services included in KRS 139.200;
- 24 for a consideration.

25 (b) "Purchase" includes:

- 26 1. When performed outside this state or when the customer gives a resale
27 certificate, the producing, fabricating, processing, printing, or imprinting

- 1 of tangible personal property for a consideration for consumers who
2 furnish either directly or indirectly the materials used in the producing,
3 fabricating, processing, printing, or imprinting;
- 4 2. A transaction whereby the possession of tangible personal property or
5 digital property is transferred but the seller retains the title as security for
6 the payment of the price; and
- 7 3. A transfer for a consideration of the title or possession of tangible
8 personal property or digital property which has been produced,
9 fabricated, or printed to the special order of the customer, or of any
10 publication;
- 11 ~~(33)~~~~(31)~~ "Recycled materials" means materials which have been recovered or diverted
12 from the solid waste stream and reused or returned to use in the form of raw
13 materials or products;
- 14 ~~(34)~~~~(32)~~ "Recycling purposes" means those activities undertaken in which materials
15 that would otherwise become solid waste are collected, separated, or processed in
16 order to be reused or returned to use in the form of raw materials or products;
- 17 ~~(35)~~~~(33)~~ "Remote retailer" means a retailer with no physical presence in this state;
- 18 ~~(36)~~~~(34)~~ (a) "Repair, replacement, or spare parts" means any tangible personal
19 property used to maintain, restore, mend, or repair machinery or equipment.
- 20 (b) "Repair, replacement, or spare parts" does not include machine oils, grease, or
21 industrial tools;
- 22 ~~(37)~~~~(35)~~ (a) "Retailer" means:
- 23 1. Every person engaged in the business of making retail sales of tangible
24 personal property, digital property, or furnishing any services in a retail
25 sale included in KRS 139.200;
- 26 2. Every person engaged in the business of making sales at auction of
27 tangible personal property or digital property owned by the person or

1 others for storage, use or other consumption, except as provided in
2 paragraph (c) of this subsection;

3 3. Every person making more than two (2) retail sales of tangible personal
4 property, digital property, or services included in KRS 139.200 during
5 any twelve (12) month period, including sales made in the capacity of
6 assignee for the benefit of creditors, or receiver or trustee in bankruptcy;

7 4. Any person conducting a race meeting under the provision of KRS
8 Chapter 230, with respect to horses which are claimed during the
9 meeting.

10 (b) When the department determines that it is necessary for the efficient
11 administration of this chapter to regard any salesmen, representatives,
12 peddlers, or canvassers as the agents of the dealers, distributors, supervisors or
13 employers under whom they operate or from whom they obtain the tangible
14 personal property, digital property, or services sold by them, irrespective of
15 whether they are making sales on their own behalf or on behalf of the dealers,
16 distributors, supervisors or employers, the department may so regard them and
17 may regard the dealers, distributors, supervisors or employers as retailers for
18 purposes of this chapter.

19 (c) 1. Any person making sales at a charitable auction for a qualifying entity
20 shall not be a retailer for purposes of the sales made at the charitable
21 auction if:

22 a. The qualifying entity, not the person making sales at the auction, is
23 sponsoring the auction;

24 b. The purchaser of tangible personal property at the auction directly
25 pays the qualifying entity sponsoring the auction for the property
26 and not the person making the sales at the auction; and

27 c. The qualifying entity, not the person making sales at the auction, is

1 responsible for the collection, control, and disbursement of the
2 auction proceeds.

3 2. If the conditions set forth in subparagraph 1. of this paragraph are met,
4 the qualifying entity sponsoring the auction shall be the retailer for
5 purposes of the sales made at the charitable auction.

6 3. For purposes of this paragraph, "qualifying entity" means a resident:

7 a. Church;

8 b. School;

9 c. Civic club; or

10 d. Any other nonprofit charitable, religious, or educational
11 organization;

12 ~~(38)~~~~(36)~~ "Retail sale" means any sale, lease, or rental for any purpose other than resale,
13 sublease, or subrent;

14 ~~(39)~~~~(37)~~ (a) "Ringtones" means digitized sound files that are downloaded onto a
15 device and that may be used to alert the customer with respect to a
16 communication.

17 (b) "Ringtones" shall not include ringback tones or other digital files that are not
18 stored on the purchaser's communications device;

19 ~~(40)~~~~(38)~~ (a) "Sale" means:

20 1. The furnishing of any services included in KRS 139.200;

21 2. Any transfer of title or possession, exchange, barter, lease, or rental,
22 conditional or otherwise, in any manner or by any means whatsoever, of:

23 a. Tangible personal property; or

24 b. Digital property transferred electronically;

25 for a consideration.

26 (b) "Sale" includes but is not limited to:

27 1. The producing, fabricating, processing, printing, or imprinting of

1 tangible personal property or digital property for a consideration for
2 purchasers who furnish, either directly or indirectly, the materials used
3 in the producing, fabricating, processing, printing, or imprinting;

4 2. A transaction whereby the possession of tangible personal property or
5 digital property is transferred, but the seller retains the title as security
6 for the payment of the price; and

7 3. A transfer for a consideration of the title or possession of tangible
8 personal property or digital property which has been produced,
9 fabricated, or printed to the special order of the purchaser.

10 (c) This definition shall apply regardless of the classification of a transaction
11 under generally accepted accounting principles, the Internal Revenue Code, or
12 other provisions of federal, state, or local law;

13 ~~(41)~~~~(39)~~ "Seller" includes every person engaged in the business of selling tangible
14 personal property, digital property, or services of a kind, the gross receipts from the
15 retail sale of which are required to be included in the measure of the sales tax, and
16 every person engaged in making sales for resale;

17 ~~(42)~~~~(40)~~ (a) "Storage" includes any keeping or retention in this state for any purpose
18 except sale in the regular course of business or subsequent use solely outside
19 this state of tangible personal property or digital property purchased from a
20 retailer.

21 (b) "Storage" does not include the keeping, retaining, or exercising any right or
22 power over tangible personal property for the purpose of subsequently
23 transporting it outside the state for use thereafter solely outside the state, or for
24 the purpose of being processed, fabricated, or manufactured into, attached to,
25 or incorporated into, other tangible personal property to be transported outside
26 the state and thereafter used solely outside the state;

27 ~~(43)~~~~(41)~~ "Tangible personal property" means personal property which may be seen,

1 weighed, measured, felt, or touched, or which is in any other manner perceptible to
2 the senses and includes natural, artificial, and mixed gas, electricity, water, steam,
3 and prewritten computer software;

4 ~~(44)~~~~((42))~~ "Taxpayer" means any person liable for tax under this chapter;

5 ~~(45)~~~~((43))~~ "Transferred electronically" means accessed or obtained by the purchaser by
6 means other than tangible storage media; and

7 ~~(46)~~~~((44))~~ (a) "Use" includes the exercise of:

8 1. Any right or power over tangible personal property or digital property
9 incident to the ownership of that property, or by any transaction in which
10 possession is given, or by any transaction involving digital property
11 where the right of access is granted; or

12 2. Any right or power to benefit from extended warranty services.

13 (b) "Use" does not include the keeping, retaining, or exercising any right or power
14 over tangible personal property or digital property for the purpose of:

15 1. Selling tangible personal property or digital property in the regular
16 course of business; or

17 2. Subsequently transporting tangible personal property outside the state
18 for use thereafter solely outside the state, or for the purpose of being
19 processed, fabricated, or manufactured into, attached to, or incorporated
20 into, other tangible personal property to be transported outside the state
21 and thereafter used solely outside the state.

22 ➔Section 2. KRS 139.480 is amended to read as follows:

23 Any other provision of this chapter to the contrary notwithstanding, the terms "sale at
24 retail," "retail sale," "use," "storage," and "consumption," as used in this chapter, shall not
25 include the sale, use, storage, or other consumption of:

26 (1) Locomotives or rolling stock, including materials for the construction, repair, or
27 modification thereof, or fuel or supplies for the direct operation of locomotives and

1 trains, used or to be used in interstate commerce;

2 (2) Coal for the manufacture of electricity;

3 (3) (a) All energy or energy-producing fuels used in the course of manufacturing,
4 processing, mining, or refining and any related distribution, transmission, and
5 transportation services for this energy that are billed to the user, to the extent
6 that the cost of the energy or energy-producing fuels used, and related
7 distribution, transmission, and transportation services for this energy that are
8 billed to the user exceed three percent (3%) of the cost of production.

9 (b) Cost of production shall be computed on the basis of a plant facility, which
10 shall include all operations within the continuous, unbroken, integrated
11 manufacturing or industrial processing process that ends with a product
12 packaged and ready for sale.

13 (c) A person who performs a manufacturing or industrial processing activity for a
14 fee and does not take ownership of the tangible personal property that is
15 incorporated into, or becomes the product of, the manufacturing or industrial
16 processing activity is a toller. For periods on or after July 1, 2018, the costs of
17 the tangible personal property shall be excluded from the toller's cost of
18 production at a plant facility with tolling operations in place as of July 1,
19 2018.

20 (d) For plant facilities that begin tolling operations after July 1, 2018, the costs of
21 tangible personal property shall be excluded from the toller's cost of
22 production if the toller:

23 1. Maintains a binding contract for periods after July 1, 2018, that governs
24 the terms, conditions, and responsibilities with a separate legal entity,
25 which holds title to the tangible personal property that is incorporated
26 into, or becomes the product of, the manufacturing or industrial
27 processing activity;

- 1 2. Maintains accounting records that show the expenses it incurs to fulfill
2 the binding contract that include but are not limited to energy or energy-
3 producing fuels, materials, labor, procurement, depreciation,
4 maintenance, taxes, administration, and office expenses;
- 5 3. Maintains separate payroll, bank accounts, tax returns, and other records
6 that demonstrate its independent operations in the performance of its
7 tolling responsibilities;
- 8 4. Demonstrates one (1) or more substantial business purposes for the
9 tolling operations germane to the overall manufacturing, industrial
10 processing activities, or corporate structure at the plant facility. A
11 business purpose is a purpose other than the reduction of sales tax
12 liability for the purchases of energy and energy-producing fuels; and
- 13 5. Provides information to the department upon request that documents
14 fulfillment of the requirements in subparagraphs 1. to 4. of this
15 paragraph and gives an overview of its tolling operations with an
16 explanation of how the tolling operations relate and connect with all
17 other manufacturing or industrial processing activities occurring at the
18 plant facility.
- 19 (4) Livestock of a kind the products of which ordinarily constitute food for human
20 consumption, provided the sales are made for breeding or dairy purposes and by or
21 to a person regularly engaged in the business of farming;
- 22 (5) Poultry for use in breeding or egg production;
- 23 (6) Farm work stock for use in farming operations;
- 24 (7) Seeds, the products of which ordinarily constitute food for human consumption or
25 are to be sold in the regular course of business, and commercial fertilizer to be
26 applied on land, the products from which are to be used for food for human
27 consumption or are to be sold in the regular course of business; provided such sales

- 1 are made to farmers who are regularly engaged in the occupation of tilling and
2 cultivating the soil for the production of crops as a business, or who are regularly
3 engaged in the occupation of raising and feeding livestock or poultry or producing
4 milk for sale; and provided further that tangible personal property so sold is to be
5 used only by those persons designated above who are so purchasing;
- 6 (8) Insecticides, fungicides, herbicides, rodenticides, and other farm chemicals to be
7 used in the production of crops as a business, or in the raising and feeding of
8 livestock or poultry, the products of which ordinarily constitute food for human
9 consumption;
- 10 (9) Feed, including pre-mixes and feed additives, for livestock or poultry of a kind the
11 products of which ordinarily constitute food for human consumption;
- 12 (10) Machinery for new and expanded industry;
- 13 (11) Farm machinery. As used in this section, the term "farm machinery":
- 14 (a) Means machinery used exclusively and directly in the occupation of:
- 15 1. Tilling the soil for the production of crops as a business;
- 16 2. Raising and feeding livestock or poultry for sale; or
- 17 3. Producing milk for sale;
- 18 (b) Includes machinery, attachments, and replacements therefor, repair parts, and
19 replacement parts which are used or manufactured for use on, or in the
20 operation of farm machinery and which are necessary to the operation of the
21 machinery, and are customarily so used, including but not limited to combine
22 header wagons, combine header trailers, or any other implements specifically
23 designed and used to move or transport a combine head; and
- 24 (c) Does not include:
- 25 1. Automobiles;
- 26 2. Trucks;
- 27 3. Trailers, except combine header trailers; or

- 1 4. Truck-trailer combinations;
- 2 (12) Tombstones and other memorial grave markers;
- 3 (13) On-farm facilities used exclusively for grain or soybean storing, drying, processing,
4 or handling. The exemption applies to the equipment, machinery, attachments,
5 repair and replacement parts, and any materials incorporated into the construction,
6 renovation, or repair of the facilities;
- 7 (14) On-farm facilities used exclusively for raising poultry or livestock. The exemption
8 shall apply to the equipment, machinery, attachments, repair and replacement parts,
9 and any materials incorporated into the construction, renovation, or repair of the
10 facilities. The exemption shall apply but not be limited to vent board equipment,
11 waterer and feeding systems, brooding systems, ventilation systems, alarm systems,
12 and curtain systems. In addition, the exemption shall apply whether or not the seller
13 is under contract to deliver, assemble, and incorporate into real estate the
14 equipment, machinery, attachments, repair and replacement parts, and any materials
15 incorporated into the construction, renovation, or repair of the facilities;
- 16 (15) Gasoline, special fuels, liquefied petroleum gas, and natural gas used exclusively
17 and directly to:
- 18 (a) Operate farm machinery as defined in subsection (11) of this section;
- 19 (b) Operate on-farm grain or soybean drying facilities as defined in subsection
20 (13) of this section;
- 21 (c) Operate on-farm poultry or livestock facilities defined in subsection (14) of
22 this section;
- 23 (d) Operate on-farm ratite facilities defined in subsection (23) of this section;
- 24 (e) Operate on-farm llama or alpaca facilities as defined in subsection (25) of this
25 section; or
- 26 (f) Operate on-farm dairy facilities;
- 27 (16) Textbooks, including related workbooks and other course materials, purchased for

- 1 use in a course of study conducted by an institution which qualifies as a nonprofit
2 educational institution under KRS 139.495. The term "course materials" means only
3 those items specifically required of all students for a particular course but shall not
4 include notebooks, paper, pencils, calculators, tape recorders, or similar student
5 aids;
- 6 (17) Any property which has been certified as an alcohol production facility as defined in
7 KRS 247.910;
- 8 (18) Aircraft, repair and replacement parts therefor, and supplies, except fuel, for the
9 direct operation of aircraft in interstate commerce and used exclusively for the
10 conveyance of property or passengers for hire. Nominal intrastate use shall not
11 subject the property to the taxes imposed by this chapter;
- 12 (19) Any property which has been certified as a fluidized bed energy production facility
13 as defined in KRS 211.390;
- 14 (20) (a) 1. Any property to be incorporated into the construction, rebuilding,
15 modification, or expansion of a blast furnace or any of its components or
16 appurtenant equipment or structures as part of an approved supplemental
17 project, as defined by KRS 154.26-010; and
18 2. Materials, supplies, and repair or replacement parts purchased for use in
19 the operation and maintenance of a blast furnace and related carbon
20 steel-making operations as part of an approved supplemental project, as
21 defined by KRS 154.26-010.
- 22 (b) The exemptions provided in this subsection shall be effective for sales made:
23 1. On and after July 1, 2018; and
24 2. During the term of a supplemental project agreement entered into
25 pursuant to KRS 154.26-090;
- 26 (21) Beginning on October 1, 1986, food or food products purchased for human
27 consumption with food coupons issued by the United States Department of

- 1 Agriculture pursuant to the Food Stamp Act of 1977, as amended, and required to
2 be exempted by the Food Security Act of 1985 in order for the Commonwealth to
3 continue participation in the federal food stamp program;
- 4 (22) Machinery or equipment purchased or leased by a business, industry, or
5 organization in order to collect, source separate, compress, bale, shred, or otherwise
6 handle waste materials if the machinery or equipment is primarily used for recycling
7 purposes;
- 8 (23) Ratite birds and eggs to be used in an agricultural pursuit for the breeding and
9 production of ratite birds, feathers, hides, breeding stock, eggs, meat, and ratite by-
10 products, and the following items used in this agricultural pursuit:
- 11 (a) Feed and feed additives;
- 12 (b) Insecticides, fungicides, herbicides, rodenticides, and other farm chemicals;
- 13 (c) On-farm facilities, including equipment, machinery, attachments, repair and
14 replacement parts, and any materials incorporated into the construction,
15 renovation, or repair of the facilities. The exemption shall apply to incubation
16 systems, egg processing equipment, waterer and feeding systems, brooding
17 systems, ventilation systems, alarm systems, and curtain systems. In addition,
18 the exemption shall apply whether or not the seller is under contract to deliver,
19 assemble, and incorporate into real estate the equipment, machinery,
20 attachments, repair and replacement parts, and any materials incorporated into
21 the construction, renovation, or repair of the facilities;
- 22 (24) Embryos and semen that are used in the reproduction of livestock, if the products of
23 these embryos and semen ordinarily constitute food for human consumption, and if
24 the sale is made to a person engaged in the business of farming;
- 25 (25) Llamas and alpacas to be used as beasts of burden or in an agricultural pursuit for
26 the breeding and production of hides, breeding stock, fiber and wool products, meat,
27 and llama and alpaca by-products, and the following items used in this pursuit:

- 1 (a) Feed and feed additives;
- 2 (b) Insecticides, fungicides, herbicides, rodenticides, and other farm chemicals;
- 3 and
- 4 (c) On-farm facilities, including equipment, machinery, attachments, repair and
- 5 replacement parts, and any materials incorporated into the construction,
- 6 renovation, or repair of the facilities. The exemption shall apply to waterer
- 7 and feeding systems, ventilation systems, and alarm systems. In addition, the
- 8 exemption shall apply whether or not the seller is under contract to deliver,
- 9 assemble, and incorporate into real estate the equipment, machinery,
- 10 attachments, repair and replacement parts, and any materials incorporated into
- 11 the construction, renovation, or repair of the facilities;
- 12 (26) Baling twine and baling wire for the baling of hay and straw;
- 13 (27) Water sold to a person regularly engaged in the business of farming and used in the:
- 14 (a) Production of crops;
- 15 (b) Production of milk for sale; or
- 16 (c) Raising and feeding of:
- 17 1. Livestock or poultry, the products of which ordinarily constitute food for
- 18 human consumption; or
- 19 2. Ratites, llamas, alpacas, buffalo, cervids or aquatic organisms;
- 20 (28) Buffalos to be used as beasts of burden or in an agricultural pursuit for the
- 21 production of hides, breeding stock, meat, and buffalo by-products, and the
- 22 following items used in this pursuit:
- 23 (a) Feed and feed additives;
- 24 (b) Insecticides, fungicides, herbicides, rodenticides, and other farm chemicals;
- 25 (c) On-farm facilities, including equipment, machinery, attachments, repair and
- 26 replacement parts, and any materials incorporated into the construction,
- 27 renovation, or repair of the facilities. The exemption shall apply to waterer

1 and feeding systems, ventilation systems, and alarm systems. In addition, the
2 exemption shall apply whether or not the seller is under contract to deliver,
3 assemble, and incorporate into real estate the equipment, machinery,
4 attachments, repair and replacement parts, and any materials incorporated into
5 the construction, renovation, or repair of the facilities;

6 (29) Aquatic organisms sold directly to or raised by a person regularly engaged in the
7 business of producing products of aquaculture, as defined in KRS 260.960, for sale,
8 and the following items used in this pursuit:

9 (a) Feed and feed additives;

10 (b) Water;

11 (c) Insecticides, fungicides, herbicides, rodenticides, and other farm chemicals;
12 and

13 (d) On-farm facilities, including equipment, machinery, attachments, repair and
14 replacement parts, and any materials incorporated into the construction,
15 renovation, or repair of the facilities and, any gasoline, special fuels, liquefied
16 petroleum gas, or natural gas used to operate the facilities. The exemption
17 shall apply, but not be limited to: waterer and feeding systems; ventilation,
18 aeration, and heating systems; processing and storage systems; production
19 systems such as ponds, tanks, and raceways; harvest and transport equipment
20 and systems; and alarm systems. In addition, the exemption shall apply
21 whether or not the seller is under contract to deliver, assemble, and
22 incorporate into real estate the equipment, machinery, attachments, repair and
23 replacement parts, and any materials incorporated into the construction,
24 renovation, or repair of the facilities;

25 (30) Members of the genus cervidae permitted by KRS Chapter 150 that are used for the
26 production of hides, breeding stock, meat, and cervid by-products, and the
27 following items used in this pursuit:

- 1 (a) Feed and feed additives;
- 2 (b) Insecticides, fungicides, herbicides, rodenticides, and other chemicals; and
- 3 (c) On-site facilities, including equipment, machinery, attachments, repair and
- 4 replacement parts, and any materials incorporated into the construction,
- 5 renovation, or repair of the facilities. In addition, the exemption shall apply
- 6 whether or not the seller is under contract to deliver, assemble, and
- 7 incorporate into real estate the equipment, machinery, attachments, repair and
- 8 replacement parts, and any materials incorporated into the construction,
- 9 renovation, or repair of the facilities;
- 10 (31) (a) Repair or replacement parts for the direct operation or maintenance of a motor
- 11 vehicle, including any towed unit, used exclusively in interstate commerce for
- 12 the conveyance of property or passengers for hire, provided the motor vehicle
- 13 is licensed for use on the highway and its declared gross vehicle weight with
- 14 any towed unit is forty-four thousand and one (44,001) pounds or greater.
- 15 Nominal intrastate use shall not subject the property to the taxes imposed by
- 16 this chapter;
- 17 (b) Repair or replacement parts for the direct operation and maintenance of a
- 18 motor vehicle operating under a charter bus certificate issued by the
- 19 Transportation Cabinet under KRS Chapter 281, or under similar authority
- 20 granted by the United States Department of Transportation; and
- 21 (c) For the purposes of this subsection, "repair or replacement parts" means tires,
- 22 brakes, engines, transmissions, drive trains, chassis, body parts, and their
- 23 components. "Repair or replacement parts" shall not include fuel, machine
- 24 oils, hydraulic fluid, brake fluid, grease, supplies, or accessories not essential
- 25 to the operation of the motor vehicle itself, except when sold as part of the
- 26 assembled unit, such as cigarette lighters, radios, lighting fixtures not
- 27 otherwise required by the manufacturer for operation of the vehicle, or tool or

1 utility boxes;~~and~~

2 (32) Food donated by a retail food establishment or any other entity regulated under KRS
3 217.127 to a nonprofit organization for distribution to the needy; **and**

4 **(33) (a) Firearms and ammunition sold or purchased on or after August 1, 2022,**
5 **and on or before July 31, 2026.**

6 **(b) On or before August 1, 2023, and on or before each August 1 thereafter as**
7 **long as the exemption applies, the department shall report to the Interim**
8 **Joint Committee on Appropriations and Revenue the total amount of tax**
9 **exemption that has been claimed for the immediately preceding fiscal year**
10 **and the total cumulative amount of the exemption claimed.**

11 ➔Section 3. KRS 131.190 is amended to read as follows:

12 (1) No present or former commissioner or employee of the department, present or
13 former member of a county board of assessment appeals, present or former property
14 valuation administrator or employee, present or former secretary or employee of the
15 Finance and Administration Cabinet, former secretary or employee of the Revenue
16 Cabinet, or any other person, shall intentionally and without authorization inspect or
17 divulge any information acquired by him or her of the affairs of any person, or
18 information regarding the tax schedules, returns, or reports required to be filed with
19 the department or other proper officer, or any information produced by a hearing or
20 investigation, insofar as the information may have to do with the affairs of the
21 person's business.

22 (2) The prohibition established by subsection (1) of this section shall not extend to:

23 (a) Information required in prosecutions for making false reports or returns of
24 property for taxation, or any other infraction of the tax laws;

25 (b) Any matter properly entered upon any assessment record, or in any way made
26 a matter of public record;

27 (c) Furnishing any taxpayer or his or her properly authorized agent with

- 1 information respecting his or her own return;
- 2 (d) Testimony provided by the commissioner or any employee of the department
3 in any court, or the introduction as evidence of returns or reports filed with the
4 department, in an action for violation of state or federal tax laws or in any
5 action challenging state or federal tax laws;
- 6 (e) Providing an owner of unmined coal, oil or gas reserves, and other mineral or
7 energy resources assessed under KRS 132.820, or owners of surface land
8 under which the unmined minerals lie, factual information about the owner's
9 property derived from third-party returns filed for that owner's property, under
10 the provisions of KRS 132.820, that is used to determine the owner's
11 assessment. This information shall be provided to the owner on a confidential
12 basis, and the owner shall be subject to the penalties provided in KRS
13 131.990(2). The third-party filer shall be given prior notice of any disclosure
14 of information to the owner that was provided by the third-party filer;
- 15 (f) Providing to a third-party purchaser pursuant to an order entered in a
16 foreclosure action filed in a court of competent jurisdiction, factual
17 information related to the owner or lessee of coal, oil, gas reserves, or any
18 other mineral resources assessed under KRS 132.820. The department may
19 promulgate an administrative regulation establishing a fee schedule for the
20 provision of the information described in this paragraph. Any fee imposed
21 shall not exceed the greater of the actual cost of providing the information or
22 ten dollars (\$10);
- 23 (g) Providing information to a licensing agency, the Transportation Cabinet, or
24 the Kentucky Supreme Court under KRS 131.1817;
- 25 (h) Statistics of gasoline and special fuels gallonage reported to the department
26 under KRS 138.210 to 138.448;
- 27 (i) Providing any utility gross receipts license tax return information that is

1 necessary to administer the provisions of KRS 160.613 to 160.617 to
2 applicable school districts on a confidential basis;

3 (j) Providing documents, data, or other information to a third party pursuant to an
4 order issued by a court of competent jurisdiction; or

5 (k) Providing information to the Legislative Research Commission under:

6 1. KRS 139.519 for purposes of the sales and use tax refund on building
7 materials used for disaster recovery;

8 2. KRS 141.436 for purposes of the energy efficiency products credits;

9 3. KRS 141.437 for purposes of the ENERGY STAR home and the
10 ENERGY STAR manufactured home credits;

11 4. KRS 141.383 for purposes of the film industry incentives;

12 5. KRS 154.26-095 for purposes of the Kentucky industrial revitalization
13 tax credits and the job assessment fees;

14 6. KRS 141.068 for purposes of the Kentucky investment fund;

15 7. KRS 141.396 for purposes of the angel investor tax credit;

16 8. KRS 141.389 for purposes of the distilled spirits credit;

17 9. KRS 141.408 for purposes of the inventory credit;

18 10. KRS 141.390 for purposes of the recycling and composting credit;

19 11. KRS 141.3841 for purposes of the selling farmer tax credit;

20 12. KRS 141.4231 for purposes of the renewable chemical production tax
21 credit;

22 13. KRS 141.524 for purposes of the Education Opportunity Account
23 Program tax credit;

24 14. KRS 141.398 for purposes of the development area tax credit;~~and~~

25 15. KRS 139.516 for the purposes of the sales and use tax exemption on the
26 commercial mining of cryptocurrency; and

27 16. Section 2 of this Act for the purposes of the sales and use tax

1 *exemption on firearms and ammunition.*

- 2 (3) The commissioner shall make available any information for official use only and on
3 a confidential basis to the proper officer, agency, board or commission of this state,
4 any Kentucky county, any Kentucky city, any other state, or the federal government,
5 under reciprocal agreements whereby the department shall receive similar or useful
6 information in return.
- 7 (4) Access to and inspection of information received from the Internal Revenue Service
8 is for department use only, and is restricted to tax administration purposes.
9 Information received from the Internal Revenue Service shall not be made available
10 to any other agency of state government, or any county, city, or other state, and shall
11 not be inspected intentionally and without authorization by any present secretary or
12 employee of the Finance and Administration Cabinet, commissioner or employee of
13 the department, or any other person.
- 14 (5) Statistics of crude oil as reported to the department under the crude oil excise tax
15 requirements of KRS Chapter 137 and statistics of natural gas production as
16 reported to the department under the natural resources severance tax requirements
17 of KRS Chapter 143A may be made public by the department by release to the
18 Energy and Environment Cabinet, Department for Natural Resources.
- 19 (6) Notwithstanding any provision of law to the contrary, beginning with mine-map
20 submissions for the 1989 tax year, the department may make public or divulge only
21 those portions of mine maps submitted by taxpayers to the department pursuant to
22 KRS Chapter 132 for ad valorem tax purposes that depict the boundaries of mined-
23 out parcel areas. These electronic maps shall not be relied upon to determine actual
24 boundaries of mined-out parcel areas. Property boundaries contained in mine maps
25 required under KRS Chapters 350 and 352 shall not be construed to constitute land
26 surveying or boundary surveys as defined by KRS 322.010 and any administrative
27 regulations promulgated thereto.

1 ➔Section 4. This Act shall take effect August 1, 2022.