

286.3-350 When dividends may be declared.

- (1) (a) Except as provided in subsection (2) of this section, the board of directors of any state bank or trust company may declare a dividend of so much of the net profits as they deem appropriate.
- (b) The net profits referenced in paragraph (a) of this subsection shall be computed by deducting all expenses, losses, and interest and taxes accrued or due from the bank.
- (2) The prior approval of the commissioner shall be required if the total of all dividends that a state bank or trust company intends to declare in any calendar year would exceed the total of its net profits of that year combined with its retained net profits of the preceding two (2) years, less any required transfers to surplus or a fund for the retirement of preferred stock or debt.

Effective: July 15, 2024

History: Amended 2024 Ky. Acts ch. 152, sec. 28, effective July 15, 2024. -- Amended 2010 Ky. Acts ch. 24, sec. 636, effective July 15, 2010. -- Amended 2006 Ky. Acts ch. 183, sec. 10, effective July 12, 2006. -- Amended 1998 Ky. Acts ch. 196, sec. 13, effective July 15, 1998. -- Amended 1982 Ky. Acts ch. 251, sec. 11, effective April 1, 1982. -- Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. sec. 596.

Formerly codified as KRS 287.350.

Legislative Research Commission Note (7/12/2006). This section was amended in 2006 Ky. Acts ch. 183. In that same session, 2006 Ky. Acts ch. 247, sec. 38 required that all sections of KRS Chapters 287, 288, 290, 291, 294, 366, 366A, and 368 be renumbered as sections of a single KRS chapter entitled the "Kentucky Financial Services Code." Therefore, the Statute Reviser, acting under KRS 7.136(1), has changed the number of this section and codified it as a section of KRS Chapter 286.