

**103 KAR 30:160. Natural gas; by-product gases and fuels.**

RELATES TO: KRS 139.010

STATUTORY AUTHORITY: KRS 131.130(1)

NECESSITY, FUNCTION, AND CONFORMITY: To interpret the sales and use tax law as it applies to the use of gases and other fuels by the producer of such gases and other fuels.

Section 1. The sales and use tax shall not apply to the use or consumption of natural, artificial or manufactured gas owned and consumed by a pipeline from its own lines as fuel to operate compressor stations and other facilities necessary to the marketing of such gas. Also, tax does not apply to natural gasoline, manufactured gases, liquefied petroleum gases and fuels which are produced as by-products of a manufacturing or refining process and which are subsequently used or consumed directly in such manufacturing or refining process of the owner and producer of the by-products. (SU-80; 1 Ky.R. 232; eff. 1-8-1975; TAm eff. 6-22-2016; Crt eff. 6-7-2019.)