

### **250.561 Inspection fee.**

- (1) An inspection fee at the rate of thirty-five cents (\$0.35) per ton shall be paid on commercial feeds distributed in this state by the person whose name appears on the label as the manufacturer, guarantor, or distributor, except that a person other than the manufacturer, guarantor, or distributor may assume liability for the inspection fee, subject to the following:
  - (a) No fee shall be paid on a commercial feed if the payment has been made by a previous distributor;
  - (b) No fee shall be paid on customer formula feeds if the inspection fee is paid on the commercial feeds which are used as ingredients and any exempt commodities, such as whole grain, furnished by the final purchaser. An exempt commodity offered for sale by the custom formula feed distributor for the intended use as an ingredient in the manufacture of custom formula feed is subject to the inspection fee. If the fee has already been paid on the commercial feeds, credit shall be given for that payment. No farmer-owned exempt commodity shall be subject to a fee;
  - (c) No fee shall be paid on commercial feeds which are used as ingredients for the manufacture of commercial feeds which are registered. If the fee has already been paid, credit shall be given for that payment;
  - (d) In the case of a commercial feed which is distributed in the state to the final purchaser only in a package weight of ten (10) pounds or less, an annual fee of fifty dollars (\$50) shall be paid in lieu of the inspection fee specified above;
  - (e) In the case of distillers' wet grains and other distillers' by-products containing more than seventy-five percent (75%) moisture and brewers' wet grains and whey distributed without further processing to the final purchaser for consumption by the purchaser's livestock, the inspection fee shall be five cents (\$0.05) per ton; and
  - (f) The minimum inspection fee for a feed registrant or a custom formula feed distributor shall be twenty-five dollars (\$25) per quarter.
- (2) Each person who is liable for the payment of the fee shall:
  - (a) File, not later than the last day of January, April, July, and October of each year, a quarterly statement, setting forth the number of net tons of commercial feeds distributed in this state during the preceding calendar quarter; and upon filing the statement shall pay the inspection fee at the rate stated in subsection (1) of this section. Inspection fees which are due and owing and have not been remitted to the department within fifteen (15) days following the due date shall have added a minimum penalty fee of twenty-five dollars (\$25) or ten percent (10%) of the amount due, whichever is greater, when payment is made. The assessment of this penalty fee shall not prevent the department from taking other actions as provided in this chapter; and
  - (b) Keep the records necessary or required by the director to indicate accurately the tonnage of commercial feed distributed in this state, and the director shall have the right to examine the records to verify statements of tonnage.

- (3) Failure to make an accurate statement of tonnage or to pay the inspection fee or comply as provided herein shall constitute sufficient cause for the cancellation of all registrations on file for the distributor.
- (4) Fees collected shall constitute a fund for the payment of the costs of inspection, sampling, and analysis, and other expenses necessary for the administration of KRS 250.491 to 250.631.

**Effective:** July 15, 1996

**History:** Amended 1996 Ky. Acts ch. 68, sec. 8, effective July 15, 1996. -- Amended 1992 Ky. Acts ch. 346, sec. 1, effective July 14, 1992. -- Amended 1990 Ky. Acts ch. 356, sec. 5, effective July 13, 1990. -- Created 1972 Ky. Acts ch. 24, sec. 9.