

**91.260 Ad valorem taxes -- Taxes based on income, licenses and franchises --
Exemption of manufacturing establishments, including qualified data centers.**

- (1) Each city of the first class shall raise a revenue from ad valorem taxes and from taxes based on income, licenses and franchises. The board of aldermen may each year, by ordinance, levy an ad valorem tax on all real and personal property subject to taxation for city purposes, at a rate within the limits prescribed in the Constitution, and may provide for taxation, for city purposes, on personal property based on income, licenses or franchises in lieu of an ad valorem tax thereon, but may not omit the imposition of an ad valorem tax on the taxable personal property of any steam, railroad, street railway, ferry, bridge, gas, water, heating, telephone, telegraph, electric light or electric power company, and may not levy or collect an income tax.
- (2) The board of aldermen shall provide for the collection of all taxes imposed under this section.
- (3) (a) The board of aldermen may by ordinance exempt manufacturing establishments, including qualified data centers, from city taxation for a period not exceeding five (5) years, as an inducement to their location within the city limits.
(b) As used in this subsection:
 1. "Data center" means a structure or portion of a structure that is predominantly used to house and continuously operate computer servers and associated telecommunications, electronic data processing or storage, or other similar components;
 2. "Overall tier rating" means the overall tier rating of a data center according to the TIA-942 Telecommunications Infrastructure Standard for Data Centers established by the Telecommunications Industry Association and published in April 2005, exclusive of any amendments made subsequent to that date; and
 3. "Qualified data center" means a data center having an overall tier rating of three (3) or four (4) on the assessment date of a given taxable year, as established by the owner thereof.

Effective: July 15, 2016

History: Amended 2016 Ky. Acts ch. 3, sec. 1, effective July 15, 2016. -- Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. secs. 2980, 2980a.

Legislative Research Commission Note (7/15/2016). 2016 Ky. Acts ch. 3, sec. 3 provided that amendments made to this statute in 2016 Ky. Acts ch. 3, sec. 1 apply only to new manufacturing establishments that locate in an applicable city or urban-county on or after July 15, 2016.