

**141.017 Deductions allowed by this chapter limited to amounts directly or indirectly subject to taxation under this chapter -- No item to be deducted more than once.**

- (1)
  - (a) All deductions allowed by this chapter shall be limited to amounts directly or indirectly allocable to income subject to taxation under the provisions of this chapter.
  - (b) Any deduction directly or indirectly allocable to income which is either exempt from taxation or otherwise not taxed under this chapter shall not be allowed.
  - (c) This subsection does not apply to deductions allowed under Pub. L. No. 116-260, secs. 276 and 278, related to the tax treatment of forgiven covered loans and deductions attributable to those loans for taxable years ending on or after March 27, 2020, but before taxable years beginning January 1, 2022.
  - (d) This subsection shall not apply to deductions allowed under Pub. L. No. 117-2, sec. 9673, relating to amounts allocable to income from grants to restaurants and other food service eligible entities under the restaurant revitalization grants program for taxable years beginning on or after January 1, 2020, but before March 11, 2023.
- (2) Nothing in this chapter shall be construed to permit the same item to be deducted more than once.

**Effective:** March 24, 2023

**History:** Amended 2023 Ky. Acts ch. 92, sec. 18, effective March 24, 2023. -- Amended 2021 Ky. Acts ch. 22, sec. 1, effective March 15, 2021. -- Created 2018 Ky. Acts ch. 171, sec. 54, effective April 14, 2018; and ch. 207, sec. 54, effective April 27, 2018.

**Legislative Research Commission Note (4/27/2018).** Pursuant to 2018 Ky. Acts ch. 207, sec. 153, the provisions created for this statute in that Act apply to taxable years beginning on or after January 1, 2018.