

### **154.25-010 Definitions for subchapter.**

As used in this subchapter:

- (1) "Activation date" means a date selected by an approved company and set forth in the jobs retention agreement at any time within a three (3) year period after the date of final approval of the agreement by the authority upon which the required investment shall be made and the jobs retention project completed;
- (2) "Agreement" means a jobs retention agreement entered into pursuant to KRS 154.25-030 on behalf of the authority and an approved company with respect to a jobs retention project;
- (3) "Agribusiness" has the same meaning as in KRS 154.32-010;
- (4) "Approved company" means any eligible company approved by the authority pursuant to KRS 154.25-030 for a jobs retention project;
- (5) "Approved costs" means that portion of the eligible costs approved by the authority that an approved company may recover through the inducements authorized by KRS 154.25-030, being a percentage of eligible costs as approved by the authority;
- (6) "Assessment" means the wage assessment fee authorized by KRS 154.25-040;
- (7) "Authority" means the Kentucky Economic Development Finance Authority created by KRS 154.20-010;
- (8) "Commonwealth" means the Commonwealth of Kentucky;
- (9) "Eligible company":
  - (a) Means any corporation, limited liability company, partnership, limited partnership, sole proprietorship, business trust, or any other entity that has been operating within the Commonwealth on a continuous basis for at least sixty (60) months preceding the request for approval by the authority of the project which meets the standards set forth in KRS 154.25-020, has been previously approved for economic development incentives from the Commonwealth related to one (1) or more of its facilities, and employs a minimum of two hundred fifty (250) full-time persons for a project located in a heritage county or one thousand (1,000) full-time persons for a project located in any other county, engaged in one (1) or more of the following activities:
    1. Manufacturing;
    2. Agribusiness;
    3. Nonretail service or technology; or
    4. Headquarters operations, regardless of the underlying business activity of the company; and
  - (b) Does not include companies where the primary activity to be conducted within the Commonwealth is forestry, fishing, mining, coal or mineral processing, the provision of utilities, construction, wholesale trade, retail trade, real estate, rental and leasing, educational services, accommodation and food services, or public administration services;
- (10) "Eligible costs" means:

- (a) Obligations incurred for labor and to vendors, contractors, subcontractors, builders, suppliers, deliverymen, and materialmen in connection with the acquisition, construction, equipping, rehabilitation, and installation of a jobs retention project;
  - (b) The cost of contract bonds and of insurance of all kinds that may be required or necessary during the course of a jobs retention project which is not paid by the vendor, supplier, deliveryman, contractor, or otherwise provided;
  - (c) All costs of architectural and engineering services, including estimates, plans and specifications, preliminary investigations, and supervision of construction, rehabilitation, and installation, as well as for the performance of all the duties required by or consequent upon the acquisition, construction, equipping, rehabilitation, and installation of a jobs retention project;
  - (d) All costs required to be paid under the terms of any contract for the acquisition, construction, equipping, rehabilitation, and installation of a jobs retention project;
  - (e) All costs required for the installation of utilities, including but not limited to water, sewer, sewer treatment, gas, electricity, communications, and railroads, and including off-site construction of the facilities paid for by the approved company; and
  - (f) All other costs comparable with those described above;
- (11) "Final approval" means the action taken by the authority authorizing the eligible company to receive inducements under this subchapter;
- (12) "Headquarters" has the same meaning as in KRS 154.32-010;
- (13) "Heritage county" means a county where the county population ranking determined by the cabinet under KRS 154.21-017 scores greater than or equal to ninety-seven (97);
- (14) "Inducements" means the Kentucky tax credit and the wage assessment fee as prescribed in KRS 154.25-030 and 154.25-040;
- (15) "Jobs retention project" or "project" means the acquisition, construction, and installation of new equipment and, with respect thereto, the construction, rehabilitation, and installation of improvements to facilities necessary to house the acquisition, construction, and installation of new equipment, including surveys; installation of utilities, including water, sewer, sewage treatment, gas, electricity, communications, and similar facilities; off-site construction of utility extensions to the boundaries of the real estate on which the facilities are located; and shall contain eligible costs of not less than twenty-five million dollars (\$25,000,000) for a project located in a heritage county or one hundred million dollars (\$100,000,000) for a project located in any other county, all of which are utilized to improve the economic and operational situation of an approved company to allow the approved company to reinvest in its operations and retain a significant number of existing jobs within the Commonwealth;
- (16) "Kentucky gross profits" means Kentucky gross profits as defined in KRS 141.0401;
- (17) "Kentucky gross receipts" means Kentucky gross receipts as defined in KRS

141.0401;

- (18) "Manufacturing" has the same meaning as in KRS 154.32-010;
- (19) "Nonretail service or technology" has the same meaning as in KRS 154.32-010;
- (20) "Preliminary approval" means the action taken by the authority conditioning final approval by the authority upon satisfaction by the eligible company of the requirements under this subchapter;
- (21) "Supplemental project" means an additional jobs retention project proposed by the approved company or its affiliate during the term of a previously approved jobs retention project, which may be included in the jobs retention agreement by way of amendment and which may result in increased inducements and an extension of the original project term as set forth in KRS 154.25-050; and
- (22) "Transferred credits" means unused approved costs as determined by the Department of Revenue from a previously approved, independent, active project under a different incentive program governed by the Cabinet for Economic Development that may be transferred to a jobs retention project and used by the approved company pursuant to a jobs retention agreement.

**Effective:** April 27, 2026

**History:** Amended 2026 Ky. Acts ch. 198, sec. 9, effective April 27, 2026. -- Amended 2019 Ky. Acts ch. 172, sec. 2, effective March 26, 2019. -- Amended 2014 Ky. Acts ch. 97, sec. 1, effective July 15, 2014. -- Amended 2012 Ky. Acts ch. 23, sec. 1, effective July 12, 2012. -- Created 2007 Ky. Acts ch. 91, sec. 1, effective March 23, 2007.