

**67.767 Development, adoption, use, and availability of standard forms for occupational license tax returns -- Duties of Secretary of State, advisory committee, and tax districts -- Administrative regulation -- Opt out by tax districts with an online filing and payment system -- Exemptions. (Effective July 15, 2026)**

- (1) (a) 1. The Secretary of State shall prescribe separate standard forms, through promulgation of an administrative regulation in accordance with KRS Chapter 13A, which shall allow for:
  - a. A combined net profits and gross receipts occupational license taxes return or separate forms for a net profits occupational license tax return and a gross receipts occupational license tax return by all business entities; and
  - b. A payroll occupational license tax return, for returns of payroll taxes by all business entities.
2. For business entities to have the information necessary to ensure the proper payment of the taxes to each tax district, the Secretary shall also develop and update as necessary:
  - a. Instructions for business entities on the completion of the standard forms; and
  - b. Fillable portable document format versions of each of the standardized forms developed pursuant to subparagraph 1. of this paragraph.
- (b) The Secretary shall seek advice and comments on the development, amendment, and maintenance of the forms and instructions from an advisory committee chaired by the Secretary, or his or her designee, that is composed of:
  1. One (1) member of the Secretary of State's staff;
  2. Two (2) members submitted by the Kentucky League of Cities;
  3. Two (2) members submitted by the Kentucky Association of Counties, at least one (1) of which shall be a current elected county judge/executive;
  4. Two (2) members submitted by the Kentucky Society of Certified Public Accountants;
  5. One (1) member submitted by the Kentucky Association of County Treasurers and Finance Officers;
  6. One (1) member submitted by the Associated General Contractors of Kentucky;
  7. One (1) member submitted by the Kentucky Association of Master Contractors;
  8. One (1) member submitted by the National Federation of Independent Business;
  9. One (1) member submitted by the Associated Builders and Contractors of Indiana/Kentucky;

10. Two (2) members submitted by the Kentucky Occupational License Association; and
  11. One (1) member submitted by the Kentucky School Boards Association.
- (c) The advisory committee shall:
1. Meet at the call of the chair;
  2. Convene before August 31, 2026, for the first meeting, and as necessary thereafter;
  3. Develop any new forms, returns, and instructions required in this subsection before June 1, 2027; and
  4. File the completed forms to the Legislative Research Committee for referral to the Interim Joint Committee on Local Government by June 24, 2027.
- (d) Within fourteen (14) days after the July 2027 Interim Joint Committee on Local Government meeting, the Secretary of State shall submit a proposed administrative regulation to the Legislative Research Committee in accordance with KRS Chapter 13A, which includes the forms and electronic links required in this subsection.
- (e) This subsection shall not be interpreted to require the development or adoption of a new form if the Secretary of the State determines that an existing form satisfies the requirements of paragraph (a) of this subsection.
- (f) Once the standard forms are adopted or amended, the Secretary of State shall include the forms, instructions, electronic links to the fillable portable document format versions of the forms, and any updates on the one-stop business portal or another public website maintained by that office, along with information submitted to the Secretary of State pursuant to subsection (2) or (4) of this section. The forms and instructions shall be updated and maintained by the Secretary of State at no cost to the tax districts. A fee shall not be levied against the public or businesses for accessing and downloading forms, instructions, or other information maintained by the Secretary of State under this section.
- (2) After the forms are adopted under subsection (1) of this section but prior to July 1, 2029, a tax district shall:
- (a) Adopt the standard forms as its exclusive electronic return forms;
  - (b) Accept the standard forms electronically in addition to the tax district's own return form or forms; or
  - (c)
    1. Opt out from adopting or using the forms in paragraphs (a) and (b) of this subsection if it has:
      - a. An online filing and payment system in use on or before January 1, 2025; or
      - b. Entered into a binding contract for the implementation of an online filing and payment system on or before July 1, 2026.
    2. If a tax district opts out under subparagraph 1. of this paragraph, in addition to providing online access to the electronic filing and payment

system it uses on its own website that permits the electronic submission of forms and the electronic remittance of payments, and in order to maintain its exemption, it shall provide:

- a. An electronic link to access its online filing and payment system to the Secretary of State for inclusion on the one-stop business portal or another public website maintained by that office;
  - b. A copy of the written order specifying that the tax district has a qualifying online filing system in use and will not accept the standard forms within thirty (30) days of its adoption; and
  - c. A copy of occupational license tax forms that the tax district accepts, any accompanying instructions, and any future amendments to those forms, instructions, and electronic links within thirty (30) days of any change.
- (3) A tax district that accepts the standard forms for filing under subsection (2)(a) or (b) of this section shall have nine (9) months from the final approval date of an administrative regulation establishing any new or amended standard forms to comply with the provisions of those subsections.
- (4) After July 1, 2029, a tax district:
- (a) Shall either adopt the standard forms as its exclusive electronic return forms or accept the standard forms in addition to the tax district's own return form or forms, unless:
    1. The tax district submits a written request approved by the tax district's governing body to the Secretary of State for an exemption based on documented information that:
      - a. Acceptance of the form will impose an undue financial hardship on the tax district; or
      - b. The tax district is part of an interlocal agreement that provides for a single tax collection process for multiple jurisdictions; and
    2. The Secretary of State approves the request for an exemption and obtains the return forms that will be accepted by the tax district and any applicable instructions for inclusion on the one-stop business portal or another public website maintained by that office. In exercising his or her discretion to grant an exemption under this subsection, the Secretary of State may impose any reasonable terms and limitations upon the exemption;
  - (b) Shall provide on its official website or other means for business entities to access and download the forms, returns, instructions, and methods of acceptable electronic payment of its occupational license taxes in a way that the forms and returns may be electronically completed and submitted to the tax district by the taxpayer;
  - (c) Shall allow a taxpayer who files the forms or returns electronically to pay the tax due with the form or return by an automated clearinghouse electronic funds transfer directly to the tax district's designated depository account or by any other approved electronic method;

- (d) May charge and collect from the taxpayer an additional electronic processing fee and any fee or surcharge to recover the actual costs incurred by the taxing district in connection with the electronic filing, processing, security, maintenance, and acceptance of electronic payments, including costs imposed by third-party vendors or financial institutions;
- (e) Shall provide an electronic receipt to the taxpayer upon the successful electronic filing of the form or return and payment; and
- (f) If approved by an annual application with the Secretary of State, shall not be subject to the provisions of paragraphs (b) to (f) of this subsection if the tax district:
  - 1. Collected less than two hundred thousand dollars (\$200,000) during the immediately preceding fiscal year from the combined levy of all types of occupational license taxes in the immediately preceding fiscal year; or
  - 2. Submits reasonable evidence that the cost of compliance with this paragraph would exceed more than five percent (5%) of the taxing district's total annual budget.
- (5) Upon receipt of an order pursuant to subsection (2) of this section or upon the issuance of an exemption under subsection (4) of this section, the Secretary of State shall provide notice to the Kentucky Society of Certified Public Accountants of the tax districts that have submitted a written order to opt out under subsection (2) of this section or that are granted an exemption under subsection (4) of this section.
- (6) The Secretary of State shall include electronic links for the electronic downloading of forms and electronic links for the online tax filing and payment system provided to it under this section on the one-stop business portal or other website maintained by the Secretary of State within thirty (30) of receipt from the tax district.
- (7) Nothing in this section or KRS 67.766 shall be interpreted to alter or preempt the requirements imposed by a tax district regarding deadlines, reporting, rates, or other legally imposed procedures regarding the imposition, administration, and collection of local occupational license taxes by a tax district. Nor shall the adoption or use of a standard forms developed under this section release the taxpayer from any liability or responsibility to the tax district for the correct payment of taxes, penalties, and any other obligations imposed by the tax district. This section and KRS 67.766 shall not be interpreted to authorize the collection of local tax revenues by the state government or any other agency of the state.

**Effective:** July 15, 2026

**History:** Amended 2026 Ky. Acts ch. 44, sec. 1, effective July 15, 2026. -- Amended 2025 Ky. Acts ch. 2, sec. 8, effective February 25, 2025. -- Created 2012 Ky. Acts ch. 70, sec. 2, effective July 12, 2012.

**Legislative Research Commission Note (7/15/2026).** A reference to "subsection (2) or (3)" in subsection (1)(f) of this statute has been changed in codification to "subsection (2) or (4)" under the authority of KRS 7.136(1)(e) and (h). In 2026 Ky. Acts ch. 44, sec. 1, a new subsection (3) was inserted into this statute and subsequent subsections were renumbered, but this internal reference in the existing language was overlooked.

**Legislative Research Commission Note (7/12/2012).** Under the authority of KRS

7.136(1), the Reviser of Statutes has altered the format of the text in subsection (1) of this statute during codification. The words in the text were not changed.