Local Mandate Fiscal Impact Estimate
Kentucky Legislative Research Commission
2015 Regular Session

Part I: Measure Information

Bill Request #: 995

Bill #: HB 273

Bill Subject/Title: AN ACT relating to urban development.

Sponsor: Rep. Schamore

Unit of Government: **X** City **X** County **X** Urban-County Unified Local Government **X** Charter County **X** Consolidated Local

Office(s) Impacted: School districts

Requirement: ____ Mandatory **X** Optional

Effect on Powers & Duties: ____ Modifies Existing **X** Adds New ____ Eliminates Existing

Part II: Purpose and Mechanics

HB 273 establishes a local rehabilitation tax credit to rehabilitate abandoned building sites. Each local taxing authority may consent to allow the credit. If consent is given, up to 75% of the occupational license fee liability generated upon the activities at the building site may be offset by the credit.

Part III: Fiscal Explanation, Bill Provisions, and Estimated Cost

To the extent a local government approves any local rehabilitation tax credits, the local revenues would be reduced by that amount. There is no overall cap on the amount of tax credits that could be awarded by any local taxing authority. A local government with a large number of abandoned building sites could award a large number and amount of credits. Smaller local jurisdictions may award small amounts.

Data Source(s): LRC Staff

Preparer: Jennifer Hays **Reviewer:** MCY **Date:** 2/6/15