

AN ACT relating to sales and use tax.

***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

➔Section 1. KRS 139.200 is amended to read as follows:

A tax is hereby imposed upon all retailers at the rate of six percent (6%) of the gross receipts derived from:

(1) Retail sales of:

(a) Tangible personal property, regardless of the method of delivery, made within this Commonwealth; and

(b) Digital property regardless of whether:

1. The purchaser has the right to permanently use the property;
2. The purchaser's right to access or retain the property is not permanent; or
3. The purchaser's right of use is conditioned upon continued payment; and

(2) The furnishing of the following:

(a) The rental of any room or rooms, lodgings, or accommodations furnished by any hotel, motel, inn, tourist camp, tourist cabin, or any other place in which rooms, lodgings, or accommodations are regularly furnished to transients for a consideration. The tax shall not apply to rooms, lodgings, or accommodations supplied for a continuous period of thirty (30) days or more to a person;

(b) Sewer services;

(c) The sale of admissions except those taxed under KRS 138.480;

(d) Prepaid calling service and prepaid wireless calling service;

(e) Intrastate, interstate, and international communications services as defined in KRS 139.195, except the furnishing of pay telephone service as defined in KRS 139.195; ~~and~~

(f) ***Advertising space in any media format, including but not limited to television and radio spots, space in newspapers and magazines, space on Internet Web sites, billboards, and space on any other form of tangible***

personal property or digital property, the purpose of which is to support or oppose a candidate for the following offices:

1. Governor of Kentucky;
2. Lieutenant Governor of Kentucky;
3. Kentucky Senate;
4. Kentucky House of Representatives;
5. United States Senate; or
6. United States Congress; and

(g) Distribution, transmission, or transportation services for natural gas that is for storage, use, or other consumption in this state, excluding those services furnished:

1. For natural gas that is classified as residential use as provided in KRS 139.470(8); or
2. To a seller or reseller of natural gas.

➔Section 2. KRS 139.310 is amended to read as follows:

(1) An excise tax is hereby imposed on the storage, use, or other consumption in this state of:

(a) Tangible personal property;~~and~~

(b) Digital property; and

(c) Advertising space in any media format, including but not limited to television and radio spots, space in newspapers and magazines, space on Internet Web sites, billboards, and space on any other form of tangible personal property or digital property, the purpose of which is to support or oppose a candidate for the following offices:

1. Governor of Kentucky;
2. Lieutenant Governor of Kentucky;
3. Kentucky Senate;

**4. Kentucky House of Representatives;**

**5. United States Senate; or**

**6. United States Congress;**

purchased for storage, use, or other consumption in this state at the rate of six percent (6%) of the sales price of the property.

- (2) The excise tax applies to the purchase of digital property regardless of whether:
- (a) The purchaser has the right to permanently use the goods;
  - (b) The purchaser's right to access or retain the digital property is not permanent;  
or
  - (c) The purchaser's right of use is conditioned upon continued payment.
- ➔Section 3. This Act takes effect July 1, 2015.