

1 AN ACT relating to 911 emergency service and declaring an emergency.

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

3 ➔Section 1. KRS 65.7621 is amended to read as follows:

4 As used in KRS 65.7621 to 65.7643, unless the context requires otherwise:

- 5 (1) "Administrator" means the person who serves as the state 911 coordinator, the
6 executive director of the Kentucky 911 Services Board, and the state administrator
7 of CMRS emergency telecommunications under KRS 65.7625;
- 8 (2) "Automatic location identification", or "ALI" means a feature by which the location
9 or estimated location of the calling party is made available to a PSAP in accordance
10 with applicable FCC rules and regulations;
- 11 (3) "Automatic number identification", or "ANI" means a feature that allows for the
12 automatic display of the 911 caller's ten-digit number, or equivalent, in accordance
13 with applicable FCC rules and regulations;
- 14 (4) "CMRS" means commercial mobile radio service under Sections 3(27) and 332(d)
15 of the Federal Telecommunications Act of 1996, 47 U.S.C. secs. 151 et seq., and
16 the Omnibus Budget Reconciliation Act of 1993, as it existed on August 10, 1993.
17 The term includes the term "wireless" and service provided by any wireless real
18 time two-way voice communication device, including radio-telephone
19 communications used in cellular telephone service, personal communications
20 service, and the functional or competitive equivalent of a radio-telephone
21 communications line used in cellular telephone service, a personal communications
22 service, or a network radio access line;
- 23 (5) "Board" means the Kentucky 911 Services Board;
- 24 (6) "CMRS connection" means a mobile handset telephone number assigned to a
25 CMRS customer;
- 26 (7) "CMRS customer" means an end user to whom a mobile handset telephone number
27 is assigned and to whom CMRS is provided in return for compensation;

- 1 (8) "CMRS Fund" means the commercial mobile radio service emergency
2 telecommunications fund;
- 3 (9) "CMRS provider" means a person or entity who provides CMRS to an end user.
4 The term includes both facilities-based resellers and nonfacilities-based resellers;
- 5 (10) "CMRS service charges" means the CMRS postpaid service charge and the
6 CMRS prepaid service charge, ~~and the CMRS service charge fee levied under KRS~~
7 ~~65.7636~~;
- 8 (11) "CMRS postpaid service charge" means the CMRS emergency telephone service
9 charge fee levied under KRS 65.7629(3) and collected under KRS 65.7635;
- 10 (12) "CMRS prepaid service charge" means the fee imposed on prepaid wireless
11 telecommunications service under KRS 65.7634 and collected under KRS 142.100
12 to 142.135;
- 13 (13) "FCC order" means the Order of the Federal Communications Commission, FCC
14 Docket No. 94-102, adopted effective October 1, 1996, including any subsequent
15 amendments or modifications thereof;
- 16 (14) "Local exchange carrier" or "LEC" means any person or entity who is authorized to
17 provide telephone exchange service or exchange access in the Commonwealth;
- 18 (15) "Local government" means any city, county, charter county, or urban-county
19 government of the Commonwealth, or any other governmental entity maintaining a
20 PSAP;
- 21 (16) "Mobile telephone handset telephone number" means the ten (10) digit number
22 assigned to a CMRS connection;
- 23 (17) "Next generation 911" means a 911 system where any device capable of making a
24 911 emergency request uses digital technology through managed emergency
25 services Internet protocol networks composed of functional elements and databases
26 that replicate enhanced 911 features and functions while providing additional
27 multimedia capabilities for the PSAP. "Next generation 911" includes any

1 technology, functions, capabilities, best practices, or processes, either currently
2 existing or later developed, that will be used during and after the transition of the
3 delivery of 911 services from analog to digital technology;

4 (18) "Prepaid wireless telecommunications service" means a wireless
5 telecommunications service that:

6 (a) If purchased, must be paid for in advance;

7 (b) Is sold or provided in predetermined units of time or dollars that decline in a
8 known amount of use or time; and

9 (c) Provides the user with access to 911 emergency service;

10 ~~["Prepaid wireless telecommunications service" includes service provided by~~
11 ~~prepaid wireless providers approved as eligible telecommunications companies by~~
12 ~~the Kentucky Public Service Commission to participate in the wireless low income~~
13 ~~Lifeline program;]~~

14 (19) "Prepaid wireless telecommunications service provider" means a person or entity
15 that provides prepaid wireless telecommunications service as authorized by a
16 license issued by the FCC;

17 (20) "Proprietary information" means information, including customer lists and other
18 related information, technology descriptions, technical information, or trade secrets;

19 (21) "Pseudo-automatic number identification" means a wireless enhanced 911 service
20 capability that enables the automatic display of the number of the cell site or cell
21 face;

22 (22) "Public safety answering point" or "PSAP" means a communications facility that is
23 assigned the responsibility to receive 911 calls originating in a given area and, as
24 appropriate, to dispatch public safety services or to extend, transfer, or relay 911
25 calls to appropriate public safety agencies;

26 (23) "Purchaser" means a person who purchases prepaid wireless telecommunications
27 service in a retail transaction;

- 1 (24) "Retail transaction" means the purchase of prepaid wireless telecommunications
2 service from a retailer for any purpose other than resale;
- 3 (25) "Retailer" means a person who sells prepaid wireless telecommunications service to
4 any person for a purpose other than resale;
- 5 (26) "Service connection" means the transmission, conveyance, or routing of voice, data,
6 video, text, or any other information signal of the purchaser's choosing by any
7 medium or method now in existence or later devised with the ability to directly
8 connect the user to 911 emergency services;
- 9 (27) "Service supplier" means a person or entity who provides local exchange telephone
10 service to a telephone subscriber;
- 11 (28) "Wireless enhanced 911 system," "wireless E911 system," "wireless enhanced 911
12 service," or "wireless E911 service" means an emergency telephone system that
13 provides the end user of the CMRS connection with wireless 911 service and, in
14 addition, directs 911 calls to appropriate public safety answering points based on the
15 geographical location from which the call originated and provides the capability for
16 automatic number identification and automatic location identification features in
17 accordance with the requirements of the FCC order; and
- 18 (29) "Tier III CMRS provider" means a non-nationwide Commercial Mobile Radio
19 Service provider with no more than five hundred thousand (500,000) subscribers as
20 of December 31, 2001.

21 ➔Section 2. KRS 65.7627 is amended to read as follows:

22 There is established the commercial mobile radio service emergency telecommunications
23 fund, the "CMRS fund," an insured, interest-bearing account to be administered and
24 maintained by the Kentucky 911 Services Board. The CMRS service charges levied under
25 KRS 65.7629 and[,] 65.7634[,], ~~and 65.7636~~ shall generate revenue equitably from
26 prepaid and postpaid CMRS connections within the boundaries of the Commonwealth.
27 No charges other than the CMRS service charges levied under KRS 65.7629 and[,]

1 65.7634~~], and 65.7636]~~ are authorized to be levied by any person or entity for providing
2 wireless service. All revenues collected under KRS 65.7635~~], and KRS]~~ 65.7634,~~]~~
3 ~~65.7636,]~~ and 142.100 to 142.135 shall be deposited directly into the fund, and the board
4 shall direct disbursements from the fund according to the provisions of KRS 65.7631.
5 Moneys in the CMRS fund shall not be the property of the Commonwealth and shall not
6 be subject to appropriation by the General Assembly. Moneys deposited or to be
7 deposited into the CMRS fund shall not:

- 8 (1) Be loaned to the Commonwealth or to any instrumentality or agency thereof;
- 9 (2) Be subject to transfer to the Commonwealth or any agency or instrumentality
10 thereof, except for purposes specifically authorized by KRS 65.7621 to 65.7643; or
- 11 (3) Be expended for any purpose other than a purpose authorized by KRS 65.7621 to
12 65.7643.

13 ➔Section 3. KRS 65.7630 is amended to read as follows:

- 14 (1) The board shall gather and report data and information regarding 911 emergency
15 communications funding procedures and costs on or before November 1 of each
16 year.
- 17 (2) The board shall determine the information it needs to evaluate 911 funding,
18 collection of the CMRS service charges, and expenditures, and each local
19 government, state governmental agency, wireless or wireline provider of technology
20 capable of transmitting voice or text traffic for an emergency 911 request to a
21 PSAP, and/or private citizen in possession of that information shall provide the
22 information to the board within the time frames established by the board. The board
23 may hire a consultant to gather and analyze the information required by this section.
- 24 (3) Each local governmental agency and state governmental agency having jurisdiction
25 over one (1) or more public safety answering points (PSAPs) shall provide at least
26 the following information to the board each fiscal year:
 - 27 (a) The amount of revenue available or budgeted for 911 services from the

1 following sources:

- 2 1. The state general fund;
- 3 2. CMRS funds received through the distribution formula under KRS
4 65.7631;
- 5 3. City and county general funds
- 6 4. CMRS grant funds
- 7 5. Other grant funds and their sources; and
- 8 6. Any other funds received for 911 service and their sources; and

9 (b) How the revenue described in this paragraph was spent by the PSAPs.

10 (4) Each CMRS provider shall submit at least the following to the board:

11 (a) One (1) annual report each calendar year of the total number of active CMRS
12 connections in each zip code within Kentucky served by the provider for each
13 month during the year. The report shall be in the form and manner prescribed
14 by the board and shall be submitted no later than thirty (30) days after the end
15 of each year. Each CMRS provider shall include in its report separate counts
16 of the numbers of active CMRS connections attributable to prepaid customers
17 and~~[-]~~ postpaid customers~~[-, and wireless low income Lifeline customers]~~
18 served by the CMRS provider for each month. For the purposes of this
19 subsection, "active CMRS connection" means all CMRS connections that
20 have an account balance of units of time or dollars greater than zero on any
21 day of the month~~[- and includes every Lifeline end user for whom the CMRS
22 provider received reimbursement from the universal service fund during the
23 month under the wireless low income Lifeline program]; and~~

24 (b) Upon request of the board, any other information needed to evaluate CMRS
25 service charge remittances to the board.

26 (5) Each local governmental agency, state governmental agency, or wireless or wireline
27 provider of technology capable of transmitting voice traffic for an emergency 911

1 request to a PSAP that fails to provide the information required by this section shall
2 not be eligible to receive distributions of state funds from the CMRS Board.

3 (6) The CMRS Board shall promulgate administrative regulations in accordance with
4 KRS Chapter 13A to establish annual reporting requirements so that the board has
5 the information needed to monitor the use of 911 funds and the rate of the 911
6 service charge.

7 (7) All information received by the CMRS Board pursuant to this section shall be
8 subject to disclosure under KRS 61.870 to 61.884. Proprietary information given to
9 the board by any wireless or wireline provider of technology capable of transmitting
10 voice or text traffic for an emergency 911 request to a PSAP pursuant to this section
11 shall be subject to the same confidentiality as provided for proprietary information
12 under KRS 65.7639 and shall only be released or published in aggregate amounts
13 which do not identify or allow identification of numbers of CMRS customers or
14 revenues attributable to an individual CMRS provider.

15 (8) The CMRS Board shall ensure that the Legislative Research Commission has
16 access to all data collected under this section and shall report this information to the
17 Legislative Research Commission's Interim Joint Committee on Veterans, Military
18 Affairs, and Public Protection by November 1 of each year. Upon request, the board
19 shall also report this information to any public entity as defined in KRS 65.310.

20 ➔Section 4. KRS 65.7636 is amended to read as follows:

21 (1) As used in this section, "Lifeline provider" means a CMRS provider that the
22 Kentucky Public Service Commission or the Federal Communications
23 Commission has deemed or deems eligible to participate in the wireless low-
24 income Lifeline program and to receive reimbursement from the universal service
25 fund managed by the Federal Communications Commission pursuant to the federal
26 Telecommunications Act of 1996, 47 U.S.C. secs. 151 et seq.

27 (2) The CMRS service charges levied under KRS 65.7629 and 65.7634 shall not be

1 imposed on a Lifeline provider or subscriber~~[shall be liable for a CMRS service~~
2 ~~charge equal to the amount of the CMRS postpaid service charge levied under KRS~~
3 ~~65.7629 and shall remit payment to the Kentucky 911 Services Board, less the~~
4 ~~administrative fee described in subsection (6) of this section, as follows:~~

5 ~~(a) Beginning February 1, 2017, an amount equal to the product of the following~~
6 ~~factors:~~

7 ~~1. The amount of the postpaid CMRS service charge levied under KRS~~
8 ~~65.7629; and~~

9 ~~2. The number of unique end users with Kentucky addresses for which the~~
10 ~~Lifeline provider received reimbursement from the universal service~~
11 ~~fund during the immediately preceding month.~~

12 ~~(b) A Lifeline provider liable for the CMRS service charge levied under this~~
13 ~~subsection may bill and collect from each end user the charges calculated~~
14 ~~under this subsection with respect to each end user. The Lifeline provider~~
15 ~~shall determine the manner it uses to bill and collect the charges owed under~~
16 ~~this subsection. A Lifeline provider shall not bill or collect from an end user~~
17 ~~an amount greater than the charges paid by the Lifeline provider to the~~
18 ~~Kentucky 911 Services Board with respect to each end user.~~

19 ~~(3) Each Lifeline provider shall act as a collection agent of the service charge levied by~~
20 ~~this section for the CMRS fund. Each Lifeline provider shall list the service charge~~
21 ~~as a separate entry on any bill which includes the service charge.~~

22 ~~(4) A Lifeline provider has no obligation to take any legal action to enforce the~~
23 ~~collection of the service charge levied by this section. Collection actions to enforce~~
24 ~~the collection of the service charge against any CMRS customer may, however, be~~
25 ~~initiated by the state, on behalf of the board, in the Circuit Court of the county of~~
26 ~~residence of the end user, and the reasonable costs and attorney's fees which are~~
27 ~~incurred in connection with any such collection action may be awarded by the court~~

1 to the prevailing party in the action.

2 ~~(5) State and local taxes shall not apply to a separately stated service charge levied by~~
3 ~~this section.~~

4 ~~(6) To reimburse itself for the cost of collecting and remitting the service charge levied~~
5 ~~by this section, each Lifeline provider may deduct and retain from the service~~
6 ~~charges it collects during each calendar month an amount not to exceed one and~~
7 ~~one half percent (1.5%) of the gross aggregate amount of the service charges it~~
8 ~~collected that month.~~

9 ~~(7) All service charges levied by this section collected by each Lifeline provider, less~~
10 ~~the administrative fee described in subsection (6) of this section, are due and~~
11 ~~payable to the board monthly and shall be remitted on or before thirty (30) days~~
12 ~~after the end of the calendar month. Collection actions may be initiated by the state,~~
13 ~~on behalf of the board, in the Franklin Circuit Court or any other court of competent~~
14 ~~jurisdiction, and the reasonable costs and attorney's fees which are incurred in~~
15 ~~connection with any such collection action may be awarded by the court to the~~
16 ~~prevailing party in the action.~~

17 ~~(8) Nothing in this section shall be interpreted or otherwise construed to impact~~
18 ~~litigation pending in the courts of the Commonwealth commencing on or before~~
19 ~~March 1, 2016, regarding the application of CMRS fees imposed prior to January 1,~~
20 ~~2017, to CMRS providers receiving reimbursement from the universal service~~
21 ~~fund}.~~

22 ➔Section 5. KRS 139.470 is amended to read as follows:

23 There are excluded from the computation of the amount of taxes imposed by this chapter:

24 (1) Gross receipts from the sale of, and the storage, use, or other consumption in this
25 state of, tangible personal property or digital property which this state is prohibited
26 from taxing under the Constitution or laws of the United States, or under the
27 Constitution of this state;

1 (2) Gross receipts from sales of, and the storage, use, or other consumption in this state
2 of:

3 (a) Nonreturnable and returnable containers when sold without the contents to
4 persons who place the contents in the container and sell the contents together
5 with the container; and

6 (b) Returnable containers when sold with the contents in connection with a retail
7 sale of the contents or when resold for refilling;

8 As used in this section the term "returnable containers" means containers of a kind
9 customarily returned by the buyer of the contents for reuse. All other containers are
10 "nonreturnable containers";

11 (3) Gross receipts from the sale of, and the storage, use, or other consumption in this
12 state of, tangible personal property used for the performance of a lump-sum, fixed-
13 fee contract of public works executed prior to February 5, 1960;

14 (4) Gross receipts from occasional sales of tangible personal property or digital
15 property and the storage, use, or other consumption in this state of tangible personal
16 property or digital property, the transfer of which to the purchaser is an occasional
17 sale;

18 (5) Gross receipts from sales of tangible personal property to a common carrier,
19 shipped by the retailer via the purchasing carrier under a bill of lading, whether the
20 freight is paid in advance or the shipment is made freight charges collect, to a point
21 outside this state and the property is actually transported to the out-of-state
22 destination for use by the carrier in the conduct of its business as a common carrier;

23 (6) Gross receipts from sales of tangible personal property sold through coin-operated
24 bulk vending machines, if the sale amounts to fifty cents (\$0.50) or less, if the
25 retailer is primarily engaged in making the sales and maintains records satisfactory
26 to the department. As used in this subsection, "bulk vending machine" means a
27 vending machine containing unsorted merchandise which, upon insertion of a coin,

1 dispenses the same in approximately equal portions, at random and without
2 selection by the customer;

3 (7) Gross receipts from sales to any cabinet, department, bureau, commission, board, or
4 other statutory or constitutional agency of the state and gross receipts from sales to
5 counties, cities, or special districts as defined in KRS 65.005. This exemption shall
6 apply only to purchases of tangible personal property, digital property, or services
7 for use solely in the government function. A purchaser not qualifying as a
8 governmental agency or unit shall not be entitled to the exemption even though the
9 purchaser may be the recipient of public funds or grants;

10 (8) (a) Gross receipts from the sale of sewer services, water, and fuel to Kentucky
11 residents for use in heating, water heating, cooking, lighting, and other
12 residential uses. As used in this subsection, "fuel" shall include but not be
13 limited to natural gas, electricity, fuel oil, bottled gas, coal, coke, and wood.
14 Determinations of eligibility for the exemption shall be made by the
15 Department of Revenue;

16 (b) In making the determinations of eligibility, the department shall exempt from
17 taxation all gross receipts derived from sales:

18 1. Classified as "residential" by a utility company as defined by applicable
19 tariffs filed with and accepted by the Public Service Commission;

20 2. Classified as "residential" by a municipally owned electric distributor
21 which purchases its power at wholesale from the Tennessee Valley
22 Authority;

23 3. Classified as "residential" by the governing body of a municipally owned
24 electric distributor which does not purchase its power from the
25 Tennessee Valley Authority, if the "residential" classification is
26 reasonably consistent with the definitions of "residential" contained in
27 tariff filings accepted and approved by the Public Service Commission

1 with respect to utilities which are subject to Public Service Commission
2 regulation.

3 If the service is classified as residential, use other than for "residential"
4 purposes by the customer shall not negate the exemption;

5 (c) The exemption shall not apply if charges for sewer service, water, and fuel are
6 billed to an owner or operator of a multi-unit residential rental facility or
7 mobile home and recreational vehicle park other than residential
8 classification; and

9 (d) The exemption shall apply also to residential property which may be held by
10 legal or equitable title, by the entireties, jointly, in common, as a
11 condominium, or indirectly by the stock ownership or membership
12 representing the owner's or member's proprietary interest in a corporation
13 owning a fee or a leasehold initially in excess of ninety-eight (98) years;

14 (9) Gross receipts from sales to an out-of-state agency, organization, or institution
15 exempt from sales and use tax in its state of residence when that agency,
16 organization, or institution gives proof of its tax-exempt status to the retailer and the
17 retailer maintains a file of the proof;

18 (10) Gross receipts derived from the sale of, and the storage, use, or other consumption
19 in this state of, tangible personal property to be used in the manufacturing or
20 industrial processing of tangible personal property at a plant facility and which will
21 be for sale. The property shall be regarded as having been purchased for resale.
22 "Plant facility" shall have the same meaning as defined in KRS 139.010. For
23 purposes of this subsection, a manufacturer or industrial processor includes an
24 individual or business entity that performs only part of the manufacturing or
25 industrial processing activity and the person or business entity need not take title to
26 tangible personal property that is incorporated into, or becomes the product of, the
27 activity.

- 1 (a) Industrial processing includes refining, extraction of petroleum and natural
2 gas, mining, quarrying, fabricating, and industrial assembling. As defined
3 herein, tangible personal property to be used in the manufacturing or industrial
4 processing of tangible personal property which will be for sale shall mean:
- 5 1. Materials which enter into and become an ingredient or component part
6 of the manufactured product;
 - 7 2. Other tangible personal property which is directly used in manufacturing
8 or industrial processing, if the property has a useful life of less than one
9 (1) year. Specifically these items are categorized as follows:
 - 10 a. Materials. This refers to the raw materials which become an
11 ingredient or component part of supplies or industrial tools exempt
12 under subdivisions b. and c. below.
 - 13 b. Supplies. This category includes supplies such as lubricating and
14 compounding oils, grease, machine waste, abrasives, chemicals,
15 solvents, fluxes, anodes, filtering materials, fire brick, catalysts,
16 dyes, refrigerants, explosives, etc. The supplies indicated above
17 need not come in direct contact with a manufactured product to be
18 exempt. "Supplies" does not include repair, replacement, or spare
19 parts of any kind.
 - 20 c. Industrial tools. This group is limited to hand tools such as jigs,
21 dies, drills, cutters, rolls, reamers, chucks, saws, spray guns, etc.,
22 and to tools attached to a machine such as molds, grinding balls,
23 grinding wheels, dies, bits, cutting blades, etc. Normally, for
24 industrial tools to be considered directly used in manufacturing,
25 they shall come into direct contact with the product being
26 manufactured; and
 - 27 3. Materials and supplies that are not reusable in the same manufacturing

1 process at the completion of a single manufacturing cycle, excluding
2 repair, replacement, or spare parts of any kind. A single manufacturing
3 cycle shall be considered to be the period elapsing from the time the raw
4 materials enter into the manufacturing process until the finished product
5 emerges at the end of the manufacturing process.

6 (b) It shall be noted that in none of the three (3) categories is any exemption
7 provided for repair, replacement, or spare parts. Repair, replacement, or spare
8 parts shall not be considered to be materials, supplies, or industrial tools
9 directly used in manufacturing or industrial processing. "Repair, replacement,
10 or spare parts" shall have the same meaning as set forth in KRS 139.010;

11 (11) Any water use fee paid or passed through to the Kentucky River Authority by
12 facilities using water from the Kentucky River basin to the Kentucky River
13 Authority in accordance with KRS 151.700 to 151.730 and administrative
14 regulations promulgated by the authority;

15 (12) Gross receipts from the sale of newspaper inserts or catalogs purchased for storage,
16 use, or other consumption outside this state and delivered by the retailer's own
17 vehicle to a location outside this state, or delivered to the United States Postal
18 Service, a common carrier, or a contract carrier for delivery outside this state,
19 regardless of whether the carrier is selected by the purchaser or retailer or an agent
20 or representative of the purchaser or retailer, or whether the F.O.B. is retailer's
21 shipping point or purchaser's destination.

22 (a) As used in this subsection:

23 1. "Catalogs" means tangible personal property that is printed to the special
24 order of the purchaser and composed substantially of information
25 regarding goods and services offered for sale; and

26 2. "Newspaper inserts" means printed materials that are placed in or
27 distributed with a newspaper of general circulation.

- 1 (b) The retailer shall be responsible for establishing that delivery was made to a
2 non-Kentucky location through shipping documents or other credible evidence
3 as determined by the department;
- 4 (13) Gross receipts from the sale of water used in the raising of equine as a business;
- 5 (14) Gross receipts from the sale of metal retail fixtures manufactured in this state and
6 purchased for storage, use, or other consumption outside this state and delivered by
7 the retailer's own vehicle to a location outside this state, or delivered to the United
8 States Postal Service, a common carrier, or a contract carrier for delivery outside
9 this state, regardless of whether the carrier is selected by the purchaser or retailer or
10 an agent or representative of the purchaser or retailer, or whether the F.O.B. is the
11 retailer's shipping point or the purchaser's destination.
- 12 (a) As used in this subsection, "metal retail fixtures" means check stands and
13 belted and nonbelted checkout counters, whether made in bulk or pursuant to
14 specific purchaser specifications, that are to be used directly by the purchaser
15 or to be distributed by the purchaser.
- 16 (b) The retailer shall be responsible for establishing that delivery was made to a
17 non-Kentucky location through shipping documents or other credible evidence
18 as determined by the department;
- 19 (15) Gross receipts from the sale of unenriched or enriched uranium purchased for
20 ultimate storage, use, or other consumption outside this state and delivered to a
21 common carrier in this state for delivery outside this state, regardless of whether the
22 carrier is selected by the purchaser or retailer, or is an agent or representative of the
23 purchaser or retailer, or whether the F.O.B. is the retailer's shipping point or
24 purchaser's destination;
- 25 (16) Amounts received from a tobacco buydown. As used in this subsection, "buydown"
26 means an agreement whereby an amount, whether paid in money, credit, or
27 otherwise, is received by a retailer from a manufacturer or wholesaler based upon

- 1 the quantity and unit price of tobacco products sold at retail that requires the retailer
2 to reduce the selling price of the product to the purchaser without the use of a
3 manufacturer's or wholesaler's coupon or redemption certificate;
- 4 (17) Gross receipts from the sale of tangible personal property or digital property
5 returned by a purchaser when the full sales price is refunded either in cash or credit.
6 This exclusion shall not apply if the purchaser, in order to obtain the refund, is
7 required to purchase other tangible personal property or digital property at a price
8 greater than the amount charged for the property that is returned;
- 9 (18) Gross receipts from the sales of gasoline and special fuels subject to tax under KRS
10 Chapter 138;
- 11 (19) The amount of any tax imposed by the United States upon or with respect to retail
12 sales, whether imposed on the retailer or the consumer, not including any
13 manufacturer's excise or import duty;
- 14 (20) Gross receipts from the sale of any motor vehicle as defined in KRS 138.450 which
15 is:
- 16 (a) Sold to a Kentucky resident, registered for use on the public highways, and
17 upon which any applicable tax levied by KRS 138.460 has been paid; or
- 18 (b) Sold to a nonresident of Kentucky if the nonresident registers the motor
19 vehicle in a state that:
- 20 1. Allows residents of Kentucky to purchase motor vehicles without
21 payment of that state's sales tax at the time of sale; or
- 22 2. Allows residents of Kentucky to remove the vehicle from that state
23 within a specific period for subsequent registration and use in Kentucky
24 without payment of that state's sales tax;
- 25 (21) Gross receipts from the sale of a semi-trailer as defined in KRS 189.010(12) and
26 trailer as defined in KRS 189.010(17);
- 27 (22) Gross receipts from the first fifty thousand dollars (\$50,000) in sales of admissions

1 to county fairs held in Kentucky in any calendar year by a nonprofit county fair
2 board; and

3 (23) Gross receipts from the collection of:

4 (a) Any fee or charge levied by a local government pursuant to KRS 65.760;

5 (b) The charge imposed by KRS 65.7629(3); ***and***

6 (c) The fee imposed by KRS 65.7634[; ~~and~~

7 ~~(d) The service charge imposed by KRS 65.7636].~~

8 ➔Section 6. Whereas fair administration of the Lifeline program is vital to
9 hundreds of thousands of citizens of the Commonwealth, an emergency is declared to
10 exist, and this Act takes effect upon its passage and approval by the Governor or upon its
11 otherwise becoming a law.