

1 AN ACT creating an income tax credit for the purchase and installation of electric
2 vehicle supply equipment.

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

4 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 141 IS CREATED TO
5 READ AS FOLLOWS:

6 *(1) As used in this section:*

7 *(a) "Electric vehicle" means any vehicle that:*

8 *1. Uses one (1) or more electric motors for propulsion to transport*
9 *persons or property upon the public highways of this Commonwealth;*

10 *2. Is commonly referred to as an alternative fuel automobile because*
11 *there is no internal combustion engine used for propulsion; and*

12 *3. Has limited energy storage capacity, which must be replenished by*
13 *plugging into electric vehicle supply equipment;*

14 *(b) "Electric vehicle supply equipment" means a device commonly referred to*
15 *as a Level 2 EVSE, used to charge an electric vehicle through a two*
16 *hundred forty (240) volt alternating current plug, and that adds at least ten*
17 *(10) miles of range to an electric vehicle for each hour of charging time;*

18 *(c) "Qualified individual" means any resident installing electric vehicle supply*
19 *equipment at that individual's residence; and*

20 *(d) "Recapture period" means the period from the date the electric vehicle*
21 *supply equipment is purchased until five (5) full years from that date.*

22 *(2) (a) For taxable years beginning on or after January 1, 2020, but before*
23 *January 1, 2024, a nonrefundable, nontransferable tax credit is allowed*
24 *against the tax imposed in KRS 141.020 to a qualified individual.*

25 *(b) The ordering of the credit shall be as provided in Section 2 of this Act.*

26 *(c) The tax credit shall be allowed in the taxable year during which the electric*
27 *vehicle supply equipment is installed in an amount equal to the lesser of:*

- 1 1. Fifty percent (50%) of the installed cost of the equipment; or
2 2. One thousand dollars (\$1,000).
3 (d) Any amount of credit that the qualified individual is unable to utilize during
4 the taxable year in which the electric vehicle supply equipment is installed
5 shall not be carried back to a prior taxable year, shall not be carried
6 forward to a succeeding taxable year, and shall be lost.
7 (3) If the qualified individual disposes of the electric vehicle or relocates to a
8 residence other than where the electric vehicle supply equipment has been
9 installed within the recapture period, the qualified individual shall pay, in
10 addition to the tax liability for that taxable year, one hundred percent (100%) of
11 the amount of any tax credit allowed in a prior taxable year related to the
12 installation of electric vehicle supply equipment.
13 (4) In order for the General Assembly to evaluate the usefulness of the tax credit,
14 beginning November 1, 2021, and each November 1 thereafter as long as the tax
15 credit is claimed on a return, the department shall report the following
16 information to the Interim Joint Committee on Appropriations and Revenue on a
17 cumulative basis for each taxable year to provide a historical impact of the tax
18 credit to the Commonwealth:
19 (a) The location, by county, for each installation of electric vehicle supply
20 equipment;
21 (b) The installed cost of the equipment for each installation;
22 (c) The amount of tax credit claimed for each installation at each location;
23 (d) The amount of tax credit that is recaptured under subsection (3) of this
24 section for each installation; and
25 (e) Based on ranges of adjusted gross income of no larger than five thousand
26 dollars (\$5,000) for the taxable year, the total amount of tax credit claimed
27 and the number of returns claiming a tax credit for each adjusted gross

1 income range.

2 ➔Section 2. KRS 141.0205 is amended to read as follows:

3 If a taxpayer is entitled to more than one (1) of the tax credits allowed against the tax
4 imposed by KRS 141.020, 141.040, and 141.0401, the priority of application and use of
5 the credits shall be determined as follows:

6 (1) The nonrefundable business incentive credits against the tax imposed by KRS
7 141.020 shall be taken in the following order:

- 8 (a) The limited liability entity tax credit permitted by KRS 141.0401;
- 9 (b) The economic development credits computed under KRS 141.347, 141.381,
10 141.384, 141.400, 141.401, 141.403, 141.407, 141.415, 154.12-207, and
11 154.12-2088;
- 12 (c) The qualified farming operation credit permitted by KRS 141.412;
- 13 (d) The certified rehabilitation credit permitted by KRS 171.397(1)(a);
- 14 (e) The health insurance credit permitted by KRS 141.062;
- 15 (f) The tax paid to other states credit permitted by KRS 141.070;
- 16 (g) The credit for hiring the unemployed permitted by KRS 141.065;
- 17 (h) The recycling or composting equipment credit permitted by KRS 141.390;
- 18 (i) The tax credit for cash contributions in investment funds permitted by KRS
19 154.20-263 in effect prior to July 15, 2002, and the credit permitted by KRS
20 154.20-258;
- 21 (j) The research facilities credit permitted by KRS 141.395;
- 22 (k) The employer High School Equivalency Diploma program incentive credit
23 permitted under KRS 151B.402;
- 24 (l) The voluntary environmental remediation credit permitted by KRS 141.418;
- 25 (m) The biodiesel and renewable diesel credit permitted by KRS 141.423;
- 26 (n) The clean coal incentive credit permitted by KRS 141.428;
- 27 (o) The ethanol credit permitted by KRS 141.4242;

- 1 (p) The cellulosic ethanol credit permitted by KRS 141.4244;
- 2 (q) The energy efficiency credits permitted by KRS 141.436;
- 3 (r) The railroad maintenance and improvement credit permitted by KRS 141.385;
- 4 (s) The Endow Kentucky credit permitted by KRS 141.438;
- 5 (t) The New Markets Development Program credit permitted by KRS 141.434;
- 6 (u) The distilled spirits credit permitted by KRS 141.389;
- 7 (v) The angel investor credit permitted by KRS 141.396;
- 8 (w) The film industry credit permitted by KRS 141.383 for applications approved
- 9 on or after April 27, 2018; and
- 10 (x) The inventory credit permitted by KRS 141.408.
- 11 (2) After the application of the nonrefundable credits in subsection (1) of this section,
- 12 the nonrefundable personal tax credits against the tax imposed by KRS 141.020
- 13 shall be taken in the following order:
- 14 (a) The individual credits permitted by KRS 141.020(3);
- 15 (b) The credit permitted by KRS 141.066;
- 16 (c) The tuition credit permitted by KRS 141.069;
- 17 (d) The household and dependent care credit permitted by KRS 141.067; ~~and~~
- 18 (e) The income gap credit permitted by KRS 141.066; and
- 19 (f) *The electric vehicle supply equipment credit permitted by Section 1 of this*
- 20 *Act.*
- 21 (3) After the application of the nonrefundable credits provided for in subsection (2) of
- 22 this section, the refundable credits against the tax imposed by KRS 141.020 shall be
- 23 taken in the following order:
- 24 (a) The individual withholding tax credit permitted by KRS 141.350;
- 25 (b) The individual estimated tax payment credit permitted by KRS 141.305;
- 26 (c) The certified rehabilitation credit permitted by KRS 171.3961 and
- 27 171.397(1)(b); and

- 1 (d) The film industry tax credit permitted by KRS 141.383 for applications
2 approved prior to April 27, 2018.
- 3 (4) The nonrefundable credit permitted by KRS 141.0401 shall be applied against the
4 tax imposed by KRS 141.040.
- 5 (5) The following nonrefundable credits shall be applied against the sum of the tax
6 imposed by KRS 141.040 after subtracting the credit provided for in subsection (4)
7 of this section, and the tax imposed by KRS 141.0401 in the following order:
- 8 (a) The economic development credits computed under KRS 141.347, 141.381,
9 141.384, 141.400, 141.401, 141.403, 141.407, 141.415, 154.12-207, and
10 154.12-2088;
- 11 (b) The qualified farming operation credit permitted by KRS 141.412;
- 12 (c) The certified rehabilitation credit permitted by KRS 171.397(1)(a);
- 13 (d) The health insurance credit permitted by KRS 141.062;
- 14 (e) The unemployment credit permitted by KRS 141.065;
- 15 (f) The recycling or composting equipment credit permitted by KRS 141.390;
- 16 (g) The coal conversion credit permitted by KRS 141.041;
- 17 (h) The enterprise zone credit permitted by KRS 154.45-090, for taxable periods
18 ending prior to January 1, 2008;
- 19 (i) The tax credit for cash contributions to investment funds permitted by KRS
20 154.20-263 in effect prior to July 15, 2002, and the credit permitted by KRS
21 154.20-258;
- 22 (j) The research facilities credit permitted by KRS 141.395;
- 23 (k) The employer High School Equivalency Diploma program incentive credit
24 permitted by KRS 151B.402;
- 25 (l) The voluntary environmental remediation credit permitted by KRS 141.418;
- 26 (m) The biodiesel and renewable diesel credit permitted by KRS 141.423;
- 27 (n) The clean coal incentive credit permitted by KRS 141.428;

- 1 (o) The ethanol credit permitted by KRS 141.4242;
- 2 (p) The cellulosic ethanol credit permitted by KRS 141.4244;
- 3 (q) The energy efficiency credits permitted by KRS 141.436;
- 4 (r) The ENERGY STAR home or ENERGY STAR manufactured home credit
5 permitted by KRS 141.437;
- 6 (s) The railroad maintenance and improvement credit permitted by KRS 141.385;
- 7 (t) The railroad expansion credit permitted by KRS 141.386;
- 8 (u) The Endow Kentucky credit permitted by KRS 141.438;
- 9 (v) The New Markets Development Program credit permitted by KRS 141.434;
- 10 (w) The distilled spirits credit permitted by KRS 141.389;
- 11 (x) The film industry credit permitted by KRS 141.383 for applications approved
12 on or after April 27, 2018; and
- 13 (y) The inventory credit permitted by KRS 141.408.
- 14 (6) After the application of the nonrefundable credits in subsection (5) of this section,
15 the refundable credits shall be taken in the following order:
- 16 (a) The corporation estimated tax payment credit permitted by KRS 141.044;
- 17 (b) The certified rehabilitation credit permitted by KRS 171.3961 and
18 171.397(1)(b); and
- 19 (c) The film industry tax credit permitted by KRS 141.383 for applications
20 approved prior to April 27, 2018.

21 ➔Section 3. KRS 131.190 is amended to read as follows:

- 22 (1) No present or former commissioner or employee of the department, present or
23 former member of a county board of assessment appeals, present or former property
24 valuation administrator or employee, present or former secretary or employee of the
25 Finance and Administration Cabinet, former secretary or employee of the Revenue
26 Cabinet, or any other person, shall intentionally and without authorization inspect or
27 divulge any information acquired by him of the affairs of any person, or information

1 regarding the tax schedules, returns, or reports required to be filed with the
2 department or other proper officer, or any information produced by a hearing or
3 investigation, insofar as the information may have to do with the affairs of the
4 person's business.

5 (2) The prohibition established by subsection (1) of this section shall not extend to:

- 6 (a) Information required in prosecutions for making false reports or returns of
7 property for taxation, or any other infraction of the tax laws;
- 8 (b) Any matter properly entered upon any assessment record, or in any way made
9 a matter of public record;
- 10 (c) Furnishing any taxpayer or his properly authorized agent with information
11 respecting his own return;
- 12 (d) Testimony provided by the commissioner or any employee of the department
13 in any court, or the introduction as evidence of returns or reports filed with the
14 department, in an action for violation of state or federal tax laws or in any
15 action challenging state or federal tax laws;
- 16 (e) Providing an owner of unmined coal, oil or gas reserves, and other mineral or
17 energy resources assessed under KRS 132.820, or owners of surface land
18 under which the unmined minerals lie, factual information about the owner's
19 property derived from third-party returns filed for that owner's property, under
20 the provisions of KRS 132.820, that is used to determine the owner's
21 assessment. This information shall be provided to the owner on a confidential
22 basis, and the owner shall be subject to the penalties provided in KRS
23 131.990(2). The third-party filer shall be given prior notice of any disclosure
24 of information to the owner that was provided by the third-party filer;
- 25 (f) Providing to a third-party purchaser pursuant to an order entered in a
26 foreclosure action filed in a court of competent jurisdiction, factual
27 information related to the owner or lessee of coal, oil, gas reserves, or any

- 1 other mineral resources assessed under KRS 132.820. The department may
2 promulgate an administrative regulation establishing a fee schedule for the
3 provision of the information described in this paragraph. Any fee imposed
4 shall not exceed the greater of the actual cost of providing the information or
5 ten dollars (\$10);
- 6 (g) Providing information to a licensing agency, the Transportation Cabinet, or
7 the Kentucky Supreme Court under KRS 131.1817;
- 8 (h) Statistics of gasoline and special fuels gallonage reported to the department
9 under KRS 138.210 to 138.448;
- 10 (i) Providing any utility gross receipts license tax return information that is
11 necessary to administer the provisions of KRS 160.613 to 160.617 to
12 applicable school districts on a confidential basis;
- 13 (j) Providing documents, data, or other information to a third party pursuant to an
14 order issued by a court of competent jurisdiction; or
- 15 (k) Providing information to the Legislative Research Commission under:
- 16 1. KRS 139.519 for purposes of the sales and use tax refund on building
17 materials used for disaster recovery;
 - 18 2. KRS 141.436 for purposes of the energy efficiency products credits;
 - 19 3. KRS 141.437 for purposes of the ENERGY STAR home and the
20 ENERGY STAR manufactured home credits;
 - 21 4. KRS 148.544 for purposes of the film industry incentives;
 - 22 5. KRS 154.26-095 for purposes of the Kentucky industrial revitalization
23 tax credits and the job assessment fees;
 - 24 6. KRS 141.068 for purposes of the Kentucky investment fund;
 - 25 7. KRS 141.396 for purposes of the angel investor tax credit;
 - 26 8. KRS 141.389 for purposes of the distilled spirits credit;
 - 27 9. KRS 141.408 for purposes of the inventory credit; ~~and~~

1 10. KRS 141.390 for purposes of the recycling and composting credit; and
2 11. Section 1 of this Act for purposes of the electric vehicle supply
3 equipment credit.

4 (3) The commissioner shall make available any information for official use only and on
5 a confidential basis to the proper officer, agency, board or commission of this state,
6 any Kentucky county, any Kentucky city, any other state, or the federal government,
7 under reciprocal agreements whereby the department shall receive similar or useful
8 information in return.

9 (4) Access to and inspection of information received from the Internal Revenue Service
10 is for department use only, and is restricted to tax administration purposes.
11 Information received from the Internal Revenue Service shall not be made available
12 to any other agency of state government, or any county, city, or other state, and shall
13 not be inspected intentionally and without authorization by any present secretary or
14 employee of the Finance and Administration Cabinet, commissioner or employee of
15 the department, or any other person.

16 (5) Statistics of crude oil as reported to the Department of Revenue under the crude oil
17 excise tax requirements of KRS Chapter 137 and statistics of natural gas production
18 as reported to the Department of Revenue under the natural resources severance tax
19 requirements of KRS Chapter 143A may be made public by the department by
20 release to the Energy and Environment Cabinet, Department for Natural Resources.

21 (6) Notwithstanding any provision of law to the contrary, beginning with mine-map
22 submissions for the 1989 tax year, the department may make public or divulge only
23 those portions of mine maps submitted by taxpayers to the department pursuant to
24 KRS Chapter 132 for ad valorem tax purposes that depict the boundaries of mined-
25 out parcel areas. These electronic maps shall not be relied upon to determine actual
26 boundaries of mined-out parcel areas. Property boundaries contained in mine maps
27 required under KRS Chapters 350 and 352 shall not be construed to constitute land

- 1 surveying or boundary surveys as defined by KRS 322.010 and any administrative
- 2 regulations promulgated thereto.