

1 AN ACT relating to sheriffs' tax settlements.

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

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 134 IS CREATED TO
4 READ AS FOLLOWS:

5 ***The annual sheriff's tax settlement audit required by subsection (1) of Section 2 of this***
6 ***Act shall be one (1) audit encompassing the period September 1 to August 31 and the***
7 ***taxes collected on real estate, tangible personal property, unmined coal, oil and gas***
8 ***reserve, other mineral or energy resources, public service corporations, and any other***
9 ***ad valorem collections for which:***

10 ***(1) The collection schedule has been completed;***

11 ***(2) Delinquent tax claims have been filed with the county clerk in accordance with***
12 ***KRS 134.122, and***

13 ***(3) Settlements have been prepared in accordance with Section 2 of this Act.***

14 ➔Section 2. KRS 134.192 is amended to read as follows:

15 (1) Each sheriff shall annually settle his or her accounts with the department, the
16 county, and any district for which the sheriff collects taxes on or before September
17 1 of each year. If any sheriff resigns, dies, or otherwise vacates his or her office, the
18 books and records shall be made available to the department, the county, and any
19 other district for which the sheriff collects taxes within thirty (30) days from the
20 date that the office is vacated. The annual settlement of the sheriff shall be audited
21 in accordance with KRS 43.070, ~~and~~ 64.810, ***and Section 1 of this Act.***

22 (2) (a) The department shall conduct the settlement relating to taxes collected for the
23 state.

24 (b) The sheriff shall settle his or her accounts with the county, the school district,
25 and any other taxing district for which he or she collects taxes. On request of
26 the governing body of the county or any other district for which the sheriff
27 collects taxes, the department may conduct the local settlement. If no local

1 settlement has been initiated by July 1 of any year, the department may initiate
2 the local settlement on behalf of the county, the school district, and the taxing
3 districts. Upon completion of the local settlement, the department may receive
4 reasonable reimbursement for expenses incurred.

5 (3) In making his or her settlement with the local governments and the department, the
6 sheriff shall be allowed credit for the uncollected tax claims properly filed with the
7 county clerk's office as required by KRS 134.122.

8 (4) All tax bills on omitted property that were not turned over to the sheriff in time to
9 be collected shall be carried over as a charge against the sheriff as part of the annual
10 settlement.

11 (5) The report of the state and local settlement shall be filed in the county clerk's office
12 and approved by the governing body of the county no later than September 1 of
13 each year. The settlement shall show the amount of ad valorem tax collected for the
14 county, the school district, and all taxing districts, and an itemized statement of the
15 money disbursed to or on behalf of the county, the school district, and all taxing
16 districts.

17 (6) The settlement shall be published pursuant to KRS Chapter 424.

18 (7) On the final settlement, the sheriff shall pay to the county treasurer all money that
19 remains in his or her hands attributable to amounts charged against the sheriff
20 relating to the collection of property taxes, and shall take receipts as provided in
21 KRS 134.160. The sheriff shall pay any additional amounts charged against him or
22 her as a result of the settlements.

23 (8) (a) If the sheriff fails to remit amounts charged against him or her to the
24 appropriate taxing district, the department may issue bills for the subsequent
25 year and may assume all collection duties in the name of and on behalf of the
26 cities, counties, school districts, and other taxing districts.

27 (b) The fees and commissions which the sheriff would have been entitled to

1 receive from the taxing districts shall be paid to the department.

2 (9) No tax bills or tax books shall be delivered to the sheriff during the second or any
3 subsequent calendar year of the sheriff's regular term until the settlement is
4 submitted and approved by the department and the governing body of a county, and
5 until the sheriff's bond is in place, should a bond be required by the fiscal court.

6 (10) If the tax records of a county are destroyed by fire, flood, tornado, or other act of
7 nature, or are lost, stolen, or mutilated so as to require a reassessment of the
8 property in the county or a recertification of the tax bills, the sheriff shall have five
9 (5) months from the time he or she receives the recertified tax bills to make
10 settlement pursuant to this section.

11 (11) In counties containing a population of less than seventy thousand (70,000), the
12 sheriff shall provide to the fiscal court by March 15 of each year a complete
13 statement for the preceding calendar year, which includes~~[file annually with his or~~
14 ~~her settlement]:~~

15 (a) A complete statement of all funds received by his or her office for official
16 services, showing separately the total income received by his or her office for
17 services rendered, exclusive of his or her commissions for collecting taxes,
18 and the total funds received as commissions for collecting state, county, and
19 school taxes; and

20 (b) A complete statement of all expenditures of his or her office, including his or
21 her salary, compensation of deputies and assistants, and reasonable expenses.

22 (12) At the time he or she files the statements required by subsection (11) of this section,
23 the sheriff shall pay to the governing body of the county any fees, commissions, and
24 other income of his or her office, including income from investments, which exceed
25 the sum of his or her maximum salary as permitted by the Constitution and other
26 reasonable expenses, including compensation of deputies and assistants. The
27 settlement for excess fees and commissions and other income shall be subject to

1 correction by audit conducted pursuant to KRS 43.070 or 64.810. The provisions of
2 this subsection shall not be construed to amend KRS 64.820 or 64.830.

3 (13) If a county's population that equaled or exceeded seventy thousand (70,000) is less
4 than seventy thousand (70,000) after the most recent federal decennial census, then
5 the provisions of KRS 64.368 shall apply.

6 ➔Section 3. This Act takes effect January 1, 2022.