

1 AN ACT relating to tax return data and declaring an emergency.

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

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 42 IS CREATED TO
4 READ AS FOLLOWS:

5 (1) As used in this section:

6 (a) "Agencies" means the Finance and Administration Cabinet, the
7 Commonwealth Office of Technology, and the Department of Revenue;

8 (b) "Aggregated format" means the smallest possible combination of data to
9 ensure that no specific taxpayer is identified, generally with no more than
10 three (3) taxpayers combined into a single line of data;

11 (c) "Committee" means the Legislative Research Commission's:

12 1. Interim Joint Committee on Appropriations and Revenue; or

13 2. a. Senate Standing Committee on Appropriations and Revenue;

14 and

15 b. House Standing Committee on Appropriations and Revenue;

16 and

17 (d) "Data" means all tax return data, accounts receivable data, refund data,
18 tax expenditure data, or any other information required to make sound tax
19 policy decisions by the General Assembly as it relates to businesses
20 operating and citizens living in the Commonwealth.

21 (2) The agencies shall cooperatively provide to the committee all data in an
22 aggregated format.

23 (3) A working group containing employees from the agencies and the committee is
24 hereby created to accomplish an efficient and effective delivery of the data
25 required in subsection (2) of this section in an aggregated format which is easily
26 accessible, adaptable, and useable by staff of the committee and on a timeline
27 which meets the needs of the committee.

1 **(4) (a) By June 1, 2022, the secretary of the Finance and Administration Cabinet**
2 **shall submit the names and contact information of staff from the agencies**
3 **to the committee.**

4 **(b) The first meeting of the working group shall occur no later than June 30,**
5 **2022, with monthly meetings to be held thereafter until the delivery**
6 **timeline, format, and methodology for each type of data has been**
7 **determined and the first submission of each type of data has been received.**

8 **(5) (a) Failure by the agencies to comply with this section may result in a reduction**
9 **of up to fifty percent (50%) of the appropriation for each budget unit of the**
10 **agencies during the next regular session of the General Assembly.**

11 **(b) All reductions under paragraph (a) of this subsection shall lapse to the**
12 **general fund surplus fund account created in KRS 48.700.**

13 ➔Section 2. Whereas it is imperative for the General Assembly to have
14 immediate access to current data, an emergency is declared to exist, and this Act takes
15 effect upon its passage and approval by the Governor or upon its otherwise becoming a
16 law.