

1 AN ACT relating to the tuition credit.

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

3 ➔Section 1. KRS 141.069 is amended to read as follows:

4 (1) As used in this section, "eligible Kentucky education institution" means an
5 institution as defined by Section 25A of the Internal Revenue Code:

6 **(a)** That is located within the Commonwealth of Kentucky; ***or***

7 **(b)** ***That is a participant in the Academic Common Market in accordance with***
8 ***the Regional Compact of Southern States for Regional Educational***
9 ***Services, as established in KRS 164.530.***

10 (2) For taxable years beginning after December 31, 2004, an individual may deduct
11 from the tax computed under KRS 141.020 a nonrefundable credit for qualified
12 tuition and related expenses required for enrollment or attendance of the taxpayer,
13 taxpayer's spouse or any dependent at an eligible Kentucky educational institution.
14 The credit shall be twenty-five percent (25%) of the federal credit allowable under
15 Section 25A of the Internal Revenue Code.

16 (3) The credit allowed in subsection (2) of this section shall not be allowed for
17 expenses for graduate level course study.

18 (4) If the taxpayer is a married individual within the meaning of Section 7703 of the
19 Internal Revenue Code, the credit shall apply only if the taxpayer and the taxpayer's
20 spouse file a joint return or file separately on a combined form. The credit shall not
21 be allowed if the taxpayer and the taxpayer's spouse file separate returns.

22 (5) Any unused credit may be carried forward five (5) years.

23 **(6)** ***In order to evaluate the effectiveness of this credit, the department shall report***
24 ***the following information to the Interim Joint Committee on Appropriations and***
25 ***Revenue on or before December 1, 2024, and on or before each December 1***
26 ***thereafter, as long as the credit is claimed on a tax return:***

27 **1.** ***The number of returns claiming the tuition credit;***

- 1 2. The total amount of credit claimed for each taxable year;
2 3. According to the address on the return, the number of returns and the
3 amount of credit claimed by county; and
4 4. Based on ranges of adjusted gross income of no larger than five thousand
5 dollars (\$5,000) for the taxable year, the total amount of tax credit claimed
6 and the number of returns claiming a tax credit for each adjusted gross
7 income range.

8 ➔Section 2. KRS 131.190 is amended to read as follows:

- 9 (1) No present or former commissioner or employee of the department, present or
10 former member of a county board of assessment appeals, present or former property
11 valuation administrator or employee, present or former secretary or employee of the
12 Finance and Administration Cabinet, former secretary or employee of the Revenue
13 Cabinet, or any other person, shall intentionally and without authorization inspect or
14 divulge any information acquired by him or her of the affairs of any person, or
15 information regarding the tax schedules, returns, or reports required to be filed with
16 the department or other proper officer, or any information produced by a hearing or
17 investigation, insofar as the information may have to do with the affairs of the
18 person's business.
- 19 (2) The prohibition established by subsection (1) of this section shall not extend to:
- 20 (a) Information required in prosecutions for making false reports or returns of
21 property for taxation, or any other infraction of the tax laws;
- 22 (b) Any matter properly entered upon any assessment record, or in any way made
23 a matter of public record;
- 24 (c) Furnishing any taxpayer or his or her properly authorized agent with
25 information respecting his or her own return;
- 26 (d) Testimony provided by the commissioner or any employee of the department
27 in any court, or the introduction as evidence of returns or reports filed with the

- 1 department, in an action for violation of state or federal tax laws or in any
2 action challenging state or federal tax laws;
- 3 (e) Providing an owner of unmined coal, oil or gas reserves, and other mineral or
4 energy resources assessed under KRS 132.820, or owners of surface land
5 under which the unmined minerals lie, factual information about the owner's
6 property derived from third-party returns filed for that owner's property, under
7 the provisions of KRS 132.820, that is used to determine the owner's
8 assessment. This information shall be provided to the owner on a confidential
9 basis, and the owner shall be subject to the penalties provided in KRS
10 131.990(2). The third-party filer shall be given prior notice of any disclosure
11 of information to the owner that was provided by the third-party filer;
- 12 (f) Providing to a third-party purchaser pursuant to an order entered in a
13 foreclosure action filed in a court of competent jurisdiction, factual
14 information related to the owner or lessee of coal, oil, gas reserves, or any
15 other mineral resources assessed under KRS 132.820. The department may
16 promulgate an administrative regulation establishing a fee schedule for the
17 provision of the information described in this paragraph. Any fee imposed
18 shall not exceed the greater of the actual cost of providing the information or
19 ten dollars (\$10);
- 20 (g) Providing information to a licensing agency, the Transportation Cabinet, or
21 the Kentucky Supreme Court under KRS 131.1817;
- 22 (h) Statistics of gasoline and special fuels gallonage reported to the department
23 under KRS 138.210 to 138.448;
- 24 (i) Providing any utility gross receipts license tax return information that is
25 necessary to administer the provisions of KRS 160.613 to 160.617 to
26 applicable school districts on a confidential basis;
- 27 (j) Providing documents, data, or other information to a third party pursuant to an

- 1 order issued by a court of competent jurisdiction; or
- 2 (k) Providing information to the Legislative Research Commission under:
 - 3 1. KRS 139.519 for purposes of the sales and use tax refund on building
 - 4 materials used for disaster recovery;
 - 5 2. KRS 141.436 for purposes of the energy efficiency products credits;
 - 6 3. KRS 141.437 for purposes of the ENERGY STAR home and the
 - 7 ENERGY STAR manufactured home credits;
 - 8 4. KRS 141.383 for purposes of the film industry incentives;
 - 9 5. KRS 154.26-095 for purposes of the Kentucky industrial revitalization
 - 10 tax credits and the job assessment fees;
 - 11 6. KRS 141.068 for purposes of the Kentucky investment fund;
 - 12 7. KRS 141.396 for purposes of the angel investor tax credit;
 - 13 8. KRS 141.389 for purposes of the distilled spirits credit;
 - 14 9. KRS 141.408 for purposes of the inventory credit;
 - 15 10. KRS 141.390 for purposes of the recycling and composting credit;
 - 16 11. KRS 141.3841 for purposes of the selling farmer tax credit;
 - 17 12. KRS 141.4231 for purposes of the renewable chemical production tax
 - 18 credit;
 - 19 13. KRS 141.524 for purposes of the Education Opportunity Account
 - 20 Program tax credit;
 - 21 14. KRS 141.398 for purposes of the development area tax credit;~~[-and]~~
 - 22 15. KRS 139.516 for the purposes of the sales and use tax exemption on the
 - 23 commercial mining of cryptocurrency; **and**

24 **16. Section 1 of this Act for purposes of the tuition credit.**

- 25 (3) The commissioner shall make available any information for official use only and on
- 26 a confidential basis to the proper officer, agency, board or commission of this state,
- 27 any Kentucky county, any Kentucky city, any other state, or the federal government,

1 under reciprocal agreements whereby the department shall receive similar or useful
2 information in return.

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

10 (5) Statistics of crude oil as reported to the department under the crude oil excise tax
11 requirements of KRS Chapter 137 and statistics of natural gas production as
12 reported to the department under the natural resources severance tax requirements
13 of KRS Chapter 143A may be made public by the department by release to the
14 Energy and Environment Cabinet, Department for Natural Resources.

15 (6) Notwithstanding any provision of law to the contrary, beginning with mine-map
16 submissions for the 1989 tax year, the department may make public or divulge only
17 those portions of mine maps submitted by taxpayers to the department pursuant to
18 KRS Chapter 132 for ad valorem tax purposes that depict the boundaries of mined-
19 out parcel areas. These electronic maps shall not be relied upon to determine actual
20 boundaries of mined-out parcel areas. Property boundaries contained in mine maps
21 required under KRS Chapters 350 and 352 shall not be construed to constitute land
22 surveying or boundary surveys as defined by KRS 322.010 and any administrative
23 regulations promulgated thereto.