

HOUSE OF REPRESENTATIVES

KENTUCKY GENERAL ASSEMBLY AMENDMENT FORM
2024 REGULAR SESSION
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Amend printed copy of **HB 1/HCS 1**

On page 5, between lines 12 and 13, insert the following language:

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

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

- (1) The nonrefundable business incentive credits against the tax imposed by KRS 141.020 shall be taken in the following order:
 - (a) The limited liability entity tax credit permitted by KRS 141.0401;
 - (b) The economic development credits computed under KRS 141.347, 141.381, 141.384, 141.3841, 141.400, 141.403, 141.407, 141.415, 154.12-207, and 154.12-2088;
 - (c) The qualified farming operation credit permitted by KRS 141.412;
 - (d) The certified rehabilitation credit permitted by KRS 171.397(1)(a);
 - (e) The health insurance credit permitted by KRS 141.062;
 - (f) The tax paid to other states credit permitted by KRS 141.070;
 - (g) The credit for hiring the unemployed permitted by KRS 141.065;
 - (h) The recycling or composting equipment credit permitted by KRS 141.390;
 - (i) The tax credit for cash contributions in investment funds permitted by KRS 154.20-263 in effect prior to July 15, 2002, and the credit permitted by KRS 154.20-258;

Amendment No. HFA

Rep. Rep. Al Gentry

Committee Amendment _____

Signed: _____

Floor Amendment _____

LRC Drafter: _____

Adopted: _____

Date: _____

Rejected: _____

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- (j) The research facilities credit permitted by KRS 141.395;
 - (k) The employer High School Equivalency Diploma program incentive credit permitted under KRS 151B.402;
 - (l) The voluntary environmental remediation credit permitted by KRS 141.418;
 - (m) The biodiesel and renewable diesel credit permitted by KRS 141.423;
 - (n) The clean coal incentive credit permitted by KRS 141.428;
 - (o) The ethanol credit permitted by KRS 141.4242;
 - (p) The cellulosic ethanol credit permitted by KRS 141.4244;
 - (q) The energy efficiency credits permitted by KRS 141.436;
 - (r) The railroad maintenance and improvement credit permitted by KRS 141.385;
 - (s) The Endow Kentucky credit permitted by KRS 141.438;
 - (t) The New Markets Development Program credit permitted by KRS 141.434;
 - (u) The distilled spirits credit permitted by KRS 141.389;
 - (v) The angel investor credit permitted by KRS 141.396;
 - (w) The film industry credit permitted by KRS 141.383 for applications approved on or after April 27, 2018, but before January 1, 2022;
 - (x) The inventory credit permitted by KRS 141.408; and
 - (y) The renewable chemical production credit permitted by KRS 141.4231;
- (2) After the application of the nonrefundable credits in subsection (1) of this section, the nonrefundable personal tax credits against the tax imposed by KRS 141.020 shall be taken in the following order:
- (a) The individual credits permitted by KRS 141.020(3);
 - (b) The credit permitted by KRS 141.066;
 - (c) The tuition credit permitted by KRS 141.069;
 - (d) The household and dependent care credit permitted by KRS 141.067;

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- (e) The income gap credit permitted by KRS 141.066; ~~and~~
 - (f) The Education Opportunity Account Program tax credit permitted by KRS 141.522;
- and**
- (g) The 2024 toll relief tax credit permitted by Section 3 of this Act;**
- (3) After the application of the nonrefundable credits provided for in subsection (2) of this section, the refundable credits against the tax imposed by KRS 141.020 shall be taken in the following order:
- (a) The individual withholding tax credit permitted by KRS 141.350;
 - (b) The individual estimated tax payment credit permitted by KRS 141.305;
 - (c) The certified rehabilitation credit permitted by KRS 171.3961, 171.3963, and 171.397(1)(b);
 - (d) The film industry tax credit permitted by KRS 141.383 for applications approved prior to April 27, 2018, or on or after January 1, 2022;
 - (e) The development area tax credit permitted by KRS 141.398;
 - (f) The decontamination tax credit permitted by KRS 141.419; and
 - (g) The pass-through entity tax credit permitted by KRS 141.209;
- (4) The nonrefundable credit permitted by KRS 141.0401 shall be applied against the tax imposed by KRS 141.040;
- (5) The following nonrefundable credits shall be applied against the sum of the tax imposed by KRS 141.040 after subtracting the credit provided for in subsection (4) of this section, and the tax imposed by KRS 141.0401 in the following order:
- (a) The economic development credits computed under KRS 141.347, 141.381, 141.384, 141.3841, 141.400, 141.403, 141.407, 141.415, 154.12-207, and 154.12-2088;
 - (b) The qualified farming operation credit permitted by KRS 141.412;
 - (c) The certified rehabilitation credit permitted by KRS 171.397(1)(a);

- (d) The health insurance credit permitted by KRS 141.062;
- (e) The unemployment credit permitted by KRS 141.065;
- (f) The recycling or composting equipment credit permitted by KRS 141.390;
- (g) The coal conversion credit permitted by KRS 141.041;
- (h) The enterprise zone credit permitted by KRS 154.45-090, for taxable periods ending prior to January 1, 2008;
- (i) The tax credit for cash contributions to investment funds permitted by KRS 154.20-263 in effect prior to July 15, 2002, and the credit permitted by KRS 154.20-258;
- (j) The research facilities credit permitted by KRS 141.395;
- (k) The employer High School Equivalency Diploma program incentive credit permitted by KRS 151B.402;
- (l) The voluntary environmental remediation credit permitted by KRS 141.418;
- (m) The biodiesel and renewable diesel credit permitted by KRS 141.423;
- (n) The clean coal incentive credit permitted by KRS 141.428;
- (o) The ethanol credit permitted by KRS 141.4242;
- (p) The cellulosic ethanol credit permitted by KRS 141.4244;
- (q) The energy efficiency credits permitted by KRS 141.436;
- (r) The ENERGY STAR home or ENERGY STAR manufactured home credit permitted by KRS 141.437;
- (s) The railroad maintenance and improvement credit permitted by KRS 141.385;
- (t) The railroad expansion credit permitted by KRS 141.386;
- (u) The Endow Kentucky credit permitted by KRS 141.438;
- (v) The New Markets Development Program credit permitted by KRS 141.434;
- (w) The distilled spirits credit permitted by KRS 141.389;
- (x) The film industry credit permitted by KRS 141.383 for applications approved on or

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- after April 27, 2018, but before January 1, 2022;
- (y) The inventory credit permitted by KRS 141.408;
 - (z) The renewable chemical production tax credit permitted by KRS 141.4231; and
 - (aa) The Education Opportunity Account Program tax credit permitted by KRS 141.522;
- and
- (6) After the application of the nonrefundable credits in subsection (5) of this section, the refundable credits shall be taken in the following order:
- (a) The corporation estimated tax payment credit permitted by KRS 141.044;
 - (b) The certified rehabilitation credit permitted by KRS 171.3961, 171.3963, and 171.397(1)(b);
 - (c) The film industry tax credit permitted by KRS 141.383 for applications approved prior to April 27, 2018, or on or after January 1, 2022;
 - (d) The decontamination tax credit permitted by KRS 141.419; and
 - (e) The pass-through entity tax credit permitted by KRS 141.209.

➔SECTION 3. A NEW SECTION OF KRS CHAPTER 141 IS CREATED TO READ AS FOLLOWS:

(1) As used in this section:

(a) "Authority" means the Louisville and Southern Indiana Bridges Authority;

(b) "Bridges" means the following Louisville-Southern Indiana Ohio River bridges:

1. The Interstate 65 Abraham Lincoln Bridge;

2. The Interstate 65 John F. Kennedy Bridge; and

3. The Indiana Highway 265/Kentucky Highway 841 Lewis and Clark Bridge connecting Prospect, Kentucky, and Utica, Indiana;

(c) "Department" means the Department of Revenue;

(d) "Motor vehicle" has the same means as in KRS 186.010(4), limited to the

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- following:
1. Two (2) axle passenger vehicles up to seven and one-half (7.5) feet in height;
 2. Other two (2) axle vehicles more than seven and one-half (7.5) feet in height;
 3. All three (3) axle vehicles;
 4. All four (4) axle vehicles; and
 5. Large vehicles with five (5) or more axles;
- (e) "Resident motor vehicle owner" means a resident owner of a motor vehicle registered in this state under the provisions of KRS 186.020;
- (f) "Toll" means a payment made by a resident motor vehicle owner for travel on the bridges; and
- (g) 1. "Toll payments" means the toll actually paid during the calendar year ending December 31, 2024.
2. "Toll payments" does not include any fines, fees, or penalties resulting from use of the bridges.
- (2) (a) A nonrefundable 2024 toll relief tax credit is hereby established to be claimed against the tax imposed under KRS 141.020 on resident individuals for the payment of tolls, with the ordering of credits as provided in Section 2 of this Act. The credit shall equal the toll payments made by a resident motor vehicle owner required to file an income tax return under KRS 141.160 for the calendar year ending on December 31, 2024.
- (b) The credit allowed in this section shall:
1. Not be carried forward or backward to another taxable year; and
 2. Only apply to the period described in this subsection.
- (3) When claiming the credit on a return, a resident motor vehicle owner shall provide receipts, invoices, or other pertinent papers in the form as the department may require.";

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and

Renumber the remaining section.