

1 AN ACT relating to the valuation of motor vehicles for property tax purposes and  
2 declaring an emergency.

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

4 ➔Section 1. KRS 132.4851 is amended to read as follows:

5 (1) (a) For the January 1, 2022, and January 1, 2023, assessment dates, when a motor  
6 vehicle is assessed under KRS 132.485, the portion of property taxes  
7 computed on any increase in the motor vehicle's valuation from January 1,  
8 2021, shall be exempt from state and local ad valorem taxes, including the  
9 county, city, school, or other taxing district in which the motor vehicle has  
10 taxable situs.

11 ~~(b)(2)~~ Taxpayers who paid motor vehicle property taxes for the January 1,  
12 2022, assessment date on any increase in their motor vehicle's valuation from  
13 January 1, 2021, shall be entitled to a refund of the overpayment of taxes  
14 under the exemption provided in this ~~subsection~~<sup>section</sup>. Notwithstanding  
15 KRS 134.590, the department and county clerks shall work together to  
16 establish procedures that enable taxpayers to receive refunds without making  
17 a written request. Refunds issued under this ~~paragraph~~<sup>subsection</sup> shall be  
18 issued within ninety (90) days of March 10, 2022.

19 **(2) (a) For the January 1, 2024, and January 1, 2025, assessment dates, when a**  
20 **motor vehicle is assessed under KRS 132.485, the portion of property taxes**  
21 **computed on any increase in the motor vehicle's valuation from January 1,**  
22 **2021, shall be exempt from state and local ad valorem taxes, including the**  
23 **county, city, school, or other taxing district in which the motor vehicle has**  
24 **taxable situs. The exemption provided in this subsection only applies to**  
25 **motor vehicles that were capable of being assessed in this state on January**  
26 **1, 2021.**

27 **(b) Taxpayers who paid motor vehicle property taxes for the January 1, 2024,**

1           assessment date on any increase in their motor vehicle's valuation from  
2           January 1, 2021, shall be entitled to a refund of the overpayment of taxes  
3           under the exemption provided in this subsection. Notwithstanding KRS  
4           134.590, the department and county clerks shall work together to establish  
5           procedures that enable taxpayers to receive refunds without making a  
6           written request. Refunds issued under this paragraph shall be issued within  
7           ninety (90) days of the effective date of this Act.

8           ➔Section 2. Section 1 of this Act shall apply to motor vehicles assessed on or  
9 after January 1, 2024.

10          ➔Section 3. Whereas the valuation of motor vehicles is essential for assessing  
11 property taxes and affects citizens throughout the Commonwealth, an emergency is  
12 declared to exist, and this Act takes effect upon its passage and approval by the Governor  
13 or upon its otherwise becoming a law.