

1 AN ACT relating to property tax rates for emergency services.

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

3 ➔Section 1. KRS 75.040 is amended to read as follows:

4 (1) (a) Upon the creation of a fire protection district or a volunteer fire department  
5 district as provided in KRS 75.010 to 75.031, the ***board of*** trustees of a  
6 district ~~is~~~~are~~ authorized to establish and operate a fire department and  
7 emergency ambulance service as provided in subsection (6) of this section.

8 ***(2) (a) The board of trustees established under KRS 75.031 has the authority***~~and~~  
9 to levy a tax upon the property in the district. Property that may be taxed  
10 includes property within cities in a fire protection district or a volunteer fire  
11 department district:

- 12 1. As provided by KRS 75.022; or
- 13 2. Within the metes and bounds of a city that does not maintain a regular  
14 fire department as defined by KRS 95.010(3)(b).

15 The property taxed shall be subject to county tax, and the tax levied by the  
16 district shall not exceed ***twenty cents (\$0.20)***~~ten cents (\$0.10)~~ per one  
17 hundred dollars (\$100) of valuation as assessed for county taxes, for the  
18 purpose of defraying the expenses of the establishment, maintenance, and  
19 operation of the fire department or to make contracts for fire protection for the  
20 districts as provided in KRS 75.050.~~The rate set in this subsection shall~~  
21 ~~apply, notwithstanding the provisions of KRS 132.023.~~

22 (b) A fire protection district or a volunteer fire department district that establishes  
23 and operates an emergency ambulance service and is the primary service  
24 provider in the district may levy a tax upon the property in the district not to  
25 exceed ***thirty cents (\$0.30)***~~twenty cents (\$0.20)~~ per one hundred dollars  
26 (\$100) of valuation as assessed for county taxes, for the purpose of defraying  
27 the expenses of the establishment, maintenance, and operation of the fire

1 department and emergency ambulance service or to make contracts for fire  
2 protection for the districts as provided in KRS 75.050. ~~The rate set in this~~  
3 ~~subsection shall apply, notwithstanding the provisions of KRS 132.023.~~

4 (c) Except for the rate initially levied upon the creation of the district, any  
5 increase of the total tax shall not exceed the tax rate levied for the  
6 immediately preceding calendar year by more than two cents (\$0.02) per one  
7 hundred dollars (\$100) of assessed valuation.

8 (d) 1. The board of trustees of a fire protection district or a volunteer fire  
9 department district proposing to levy a tax rate that exceeds the tax  
10 rate levied for the immediately preceding calendar year shall hold a  
11 public hearing within thirty (30) days of proposing the levy to hear  
12 comments from the public regarding the proposed tax rate. The  
13 hearing shall be open to the public, and all persons desiring to be  
14 heard shall be given an opportunity to present oral testimony.

15 2. Notification of the public hearing shall be advertised for two (2)  
16 consecutive weeks on the website of the fire protection district or  
17 volunteer fire department district. If the district does not have a  
18 website, the notification shall be advertised on the website of the local  
19 government in which the fire protection district or volunteer fire  
20 department district is located. The notification shall provide:

21 a. The tax rate levied for the immediately preceding calendar year,  
22 and the revenue produced by that rate;

23 b. The tax rate proposed for the current calendar year and the  
24 revenue expected to be produced by that rate;

25 c. A time and place for the public hearing;

26 d. The purpose of the public hearing;

27 e. The purpose of the tax rate increase, which shall be related to

- 1 protecting life and property by:
- 2 i. Responding to fires;
- 3 ii. Conducting fire prevention education; or
- 4 iii. Providing emergency medical or rescue services to the
- 5 community; and
- 6 f. A statement to the effect that the General Assembly has required
- 7 publication of the advertisement and the information contained
- 8 therein.
- 9 3. If the board of trustees of a fire protection district or a volunteer fire
- 10 department district fails to comply with the public hearing
- 11 requirements in this paragraph, the proposed tax rate shall not go into
- 12 effect and the tax rate from the immediately preceding calendar year
- 13 shall be levied.
- 14 (e) The rates set in this subsection shall not be subject to KRS 132.023.
- 15 (2) The establishment, maintenance, and operation of a fire protection district or
- 16 volunteer fire department district shall include, but not be limited to, the following
- 17 activities:
- 18 (a) Acquisition and maintenance of adequate fire protection facilities;
- 19 (b) Acquisition and maintenance of adequate firefighting equipment;
- 20 (c) Recruitment, training, and supervision of firefighters;
- 21 (d) Control and extinguishment of fires;
- 22 (e) Prevention of fires;
- 23 (f) Conducting fire safety activities;
- 24 (g) Payment of compensation to firefighters and providing the necessary support
- 25 and supervisory personnel;
- 26 (h) Payment for reasonable benefits or a nominal fee to volunteer firefighters
- 27 when benefits and fees do not constitute wages or salaries under KRS Chapter

1           337 and are not taxable as income to the volunteer firefighters under  
2           Kentucky or federal income tax laws; and

3           (i) The use of fire protection district equipment for activities which are for a  
4           public purpose and which do not materially diminish the value of the  
5           equipment.

6           (3) The property valuation administrator of the county or counties involved, with the  
7           cooperation of the board of trustees, shall note on the tax rolls the taxpayers and  
8           valuation of the property subject to such assessment. The county clerk shall  
9           compute the tax on the regular state and county tax bills in such manner as may be  
10          directed by regulation of the Department of Revenue.

11          (4) Such taxes shall be subject to the same delinquency date, discounts, penalties, and  
12          interest as are applied to the collection of ad valorem taxes and shall be collected by  
13          the sheriff of the county or counties involved and accounted for to the treasurer of  
14          the district. The sheriff shall be entitled to a fee of one percent (1%) of the amount  
15          collected by him.

16          (5) Nothing contained in this subsection shall be construed to prevent the trustees of a  
17          fire protection district located in a city or county which provides emergency  
18          ambulance service from using funds derived from taxes for the purpose of  
19          providing supplemental emergency medical services so long as the mayor of the  
20          city or the county judge/executive of the county, as appropriate, certifies to the  
21          trustees in writing that supplemental emergency medical services are reasonably  
22          required in the public interest. For the purposes of this subsection, "supplemental  
23          emergency medical services" may include EMT, EMT-D, and paramedic services  
24          rendered at the scene of an emergent accident or illness until an emergency  
25          ambulance can arrive at the scene.

26          (6) The trustees of those fire protection districts or volunteer fire department districts  
27          whose districts or portions thereof do not receive emergency ambulance services

1 from an emergency ambulance service district or, whose districts are not being  
 2 served by an emergency ambulance service operated or contracted by a city or  
 3 county government, may develop, maintain, and operate or contract for an  
 4 emergency ambulance service as part of any fire department created pursuant to this  
 5 chapter. No taxes levied pursuant to subsection (1) of this section shall be used to  
 6 develop, maintain, operate, or contract for an emergency ambulance service until  
 7 the tax year following the year the trustees of the district authorize the  
 8 establishment of the emergency ambulance service.

9 ➔Section 2. KRS 75A.050 is amended to read as follows:

- 10 (1) (a) Upon the creation of a district, the ***board of*** trustees of a district ~~is [are]~~  
 11 authorized to provide fire services, emergency medical services subject to  
 12 KRS Chapter 311A, or rescue services pursuant to KRS Chapter 39F, as  
 13 provided in paragraph (c) of this subsection ~~[, and to levy a tax upon the~~  
 14 ~~property in the district].~~
- 15 (b) ***The board of trustees established under KRS 75A.030 has the authority to***  
 16 ***levy a tax upon the property in the district.*** The property taxed shall be  
 17 subject to county tax, and the tax levied by the board upon creation of the  
 18 district shall be approved by the county fiscal court, consolidated local  
 19 government, charter county government, or unified local government having  
 20 jurisdiction over the district at the time of passage of the ordinance creating  
 21 the district. The tax shall not exceed ***twenty cents (\$0.20)***~~[ten cents (\$0.10)]~~  
 22 per one hundred dollars (\$100) of valuation as assessed for county taxes, for  
 23 the purpose of defraying the expenses for the provision of fire services or  
 24 rescue services. ~~[The rate set in this subsection shall apply, notwithstanding~~  
 25 ~~the provisions of KRS 132.023.]~~
- 26 (c) The district that establishes and operates an emergency ambulance service and  
 27 is the primary service provider in the district may levy a tax upon the property

1 in the district. The tax to be levied shall be proposed by the board, shall be  
 2 approved by the county fiscal court, consolidated local government, charter  
 3 county government, or unified local government having jurisdiction over the  
 4 district and the tax shall not exceed **thirty cents (\$0.30)**~~twenty cents (\$0.20)~~  
 5 per one hundred dollars (\$100) of valuation as assessed for county taxes, for  
 6 the purpose of defraying the expenses of the provision of fire services,  
 7 emergency medical services, or rescue service, or to make contracts for fire  
 8 protection for the districts as provided in KRS 75.050.~~The rate set in this~~  
 9 ~~subsection shall apply, notwithstanding KRS 132.023.~~

10 (d) ~~[1. ]~~**Except for the rate initially levied upon the creation of the district,**  
 11 any increase of the total tax~~levy beyond the rate initially approved by the~~  
 12 ~~board and authorized by the county fiscal court, consolidated local~~  
 13 ~~government, charter county government, or unified local government]~~ shall  
 14 **not exceed the tax rate levied for the immediately preceding calendar year**  
 15 **by more than two cents (\$0.02) per one hundred dollars (\$100) of assessed**  
 16 **valuation.**

17 (e) **1. The board of trustees of the district proposing to levy a tax rate that**  
 18 **exceeds the tax rate levied for the immediately preceding calendar year**  
 19 **shall hold a public hearing within thirty (30) days of proposing the**  
 20 **levy to hear comments from the public regarding the proposed tax**  
 21 **rate. The hearing shall be open to the public, and all persons desiring**  
 22 **to be heard shall be given an opportunity to present oral testimony.**

23 **2. Notification of the public hearing shall be advertised for two (2)**  
 24 **consecutive weeks on the website of the district. If the district does not**  
 25 **have a website, the notification shall be advertised on the website of**  
 26 **the local government in which the district is located. The notification**  
 27 **shall provide:**

- 1                    a. The tax rate levied for the immediately preceding calendar year,  
2                    and the revenue produced by that rate;  
3                    b. The tax rate proposed for the current calendar year and the  
4                    revenue expected to be produced by that rate;  
5                    c. A time and place for the public hearing;  
6                    d. The purpose of the public hearing;  
7                    e. The purpose of the tax rate increase, which shall be related to  
8                    protecting life and property by:  
9                    i. Responding to fires;  
10                   ii. Conducting fire prevention education; or  
11                   iii. Providing emergency medical or rescue services to the  
12                   community; and  
13                   f. A statement to the effect that the General Assembly has required  
14                   publication of the advertisement and the information contained  
15                   therein.

16                   3. If the board of trustees of the district fails to comply with the public  
17                   hearing requirements in this paragraph, the proposed tax rate shall  
18                   not go into effect and the tax rate from the immediately preceding  
19                   calendar year shall be levied.

20                   (f) The rates set in this subsection shall not be subject to KRS 132.023. ~~Any~~  
21                   ~~increase in excess of the annual compensating rate for the consolidated~~  
22                   ~~emergency services district shall require the approval of the county fiscal~~  
23                   ~~court, consolidated local government, charter county government, or unified~~  
24                   ~~local government having jurisdiction over the district. If at any time an~~  
25                   ~~election resulting from a recall petition pursuant to KRS 132.017 is required,~~  
26                   ~~the question shall be presented to all voters in every precinct for which any~~  
27                   ~~part of the precinct is served by the district subject to the recall petition.]~~

1 ~~(2)~~<sup>(2)</sup> If two (2) or more established consolidated emergency services merge to  
2 create a new consolidated emergency services district, as authorized in this chapter,  
3 the initial tax to be levied, as proposed by the board, shall be approved by the  
4 county fiscal court, consolidated local government, charter county government, or  
5 unified local government having jurisdiction over the district, and the initial tax  
6 levied shall not exceed the highest tax rate currently levied by one (1) of the  
7 merging districts. Any increase to the initial tax rate shall be subject to KRS  
8 132.023. Any increase in excess of the annual compensating rate for the  
9 consolidated emergency services district shall require the approval of the county  
10 fiscal court, consolidated local government, charter county government, or unified  
11 local government having jurisdiction over the district. If at any time an election  
12 resulting from a recall petition pursuant to KRS 132.017 is required, the question  
13 shall be presented to all voters in every precinct for which any part of the district  
14 serves.

15 ~~(3)~~<sup>(3)</sup> The property valuation administrator of the county in which the district is  
16 created, with the cooperation of the board, shall note on the tax rolls the taxpayers  
17 and valuation of the property subject to such assessment. The county clerk shall  
18 compute the tax on the regular state and county tax bills in such manner as may be  
19 directed by regulation of the Department of Revenue.

20 ~~(4)~~<sup>(4)</sup> These taxes shall be subject to the same delinquency date, discounts,  
21 penalties, and interest as are applied to the collection of ad valorem taxes and shall  
22 be collected by the sheriff of the county involved and accounted for to the treasurer  
23 of the district. The sheriff shall be entitled to a fee of the amount collected by him  
24 or her. The fiscal court shall, by ~~in the~~ ordinance ~~[set forth in subsection (2) of this~~  
25 ~~section]~~ and in consultation with the sheriff and the consolidated emergency  
26 services district, set a collection fee for the sheriff in an amount not to exceed four  
27 and one-fourth percent (4.25%).



1           ➔Section 3. This Act takes effect January 1, 2026.