

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT
LEGISLATIVE RESEARCH COMMISSION
2025 REGULAR SESSION**

MEASURE

2025 BR NUMBER 1432

SENATE BILL NUMBER 186

TITLE AN ACT relating to the levy of an ad valorem tax rate.

SPONSOR Senator Gary Boswell

FISCAL SUMMARY

STATE FISCAL IMPACT: YES NO UNCERTAIN

OTHER FISCAL STATEMENT(S) THAT MAY APPLY: ACTUARIAL ANALYSIS
 LOCAL MANDATE CORRECTIONS IMPACT HEALTH BENEFIT MANDATE STATE
EMPLOYEE HEALTH PLAN IMPACT

APPROPRIATION UNIT(S) IMPACTED: _____

FUND(S) IMPACTED: GENERAL ROAD FEDERAL RESTRICTED _____

FISCAL ESTIMATES	2024-2025	2025-2026	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES			
EXPENDITURES			
NET EFFECT			

() indicates a decrease/negative

PURPOSE OF MEASURE: SB 186 proposes to remove the petition process for recalling a local property tax rate and mandates that the levy of a local property tax rate which will produce revenue from real property, exclusive of revenue from new property, that is more than four percent over the amount of revenue produced by the compensating tax rate be put before the voters of the district. The bill establishes requirements for the ballot question, notifying the public about the election, the election process, and the process for recalling the tax rate. It allows the local taxing district to cancel the election by reconsidering the tax rate levy and levying the compensating tax rate instead. It prohibits state, local, and federal tax dollars to be used to advocate for the levy of the tax rate.

FISCAL EXPLANATION: SB 186 pertains to the levy of a property tax rate by a local taxing district and does not expect to have a fiscal impact on state revenues.

DATA SOURCE(S): LRC Staff

PREPARER: Cynthia Brown **NOTE NUMBER:** 129 **REVIEW:** JMR **DATE:** 2/28/2025