Local Government Mandate Statement
Kentucky Legislative Research Commission
2026 Regular Session

Part I: Measure Information

Bill Request #:	181	**Bill #:**	HB 241
Document ID #:	199	**Sponsor:**	Representative Richard White
Bill Title:	AN ACT relating to the exemption of certain animal services from sales and use tax.		

Unit of Government: ☒ City ☒ County ☒ Urban-County ☒ Charter County ☒ Consolidated Local ☒ Unified Local

Office(s) Impacted: Animal shelters

Requirement: ☒ Mandatory ☐ Optional

Effect on Powers & Duties: ☒ Modifies Existing ☐ Adds New ☐ Eliminates Existing

Other Fiscal Statement(s) that may exist: ☐ Actuarial Analysis ☐ Corrections Impact ☐ Health Benefit Mandate ☐ State Employee Health Plan

Part II: Bill Provisions and the Estimated Fiscal Impact Relating to Local Government

HB 241 would amend KRS 139.470 to exempt from sales and use taxes imposed by that chapter gross receipts from:

1. fees charged for small animal veterinarian services to spay, neuter, or vaccinate an animal by a local government animal shelter or nonprofit animal welfare organization to an individual, or by a veterinarian providing his or her services free or at a reduced rate to the shelter or nonprofit; and
2. pet transfer or adoption fees charged an individual by a local government animal shelter or nonprofit animal welfare organization.

HB 241 would have no or minimal fiscal impact on local governments. Local governments merely collect the sales and use taxes currently imposed on these services and pass them on to the Kentucky Department of Revenue. The only fiscal impact may be the minimal savings on administrative costs of filing a monthly or quarterly tax return to account for collection of the tax, and depositing the tax with the Department.

Data Source(s): LRC staff

Preparer: MS **Reviewer:** AS (MDA) **Date:** 1/20/26