

1 AN ACT relating to the administrative writings of the Kentucky Department of
2 Revenue.

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

4 ➔Section 1. KRS 131.010 is amended to read as follows:

5 As used in this chapter, unless the context requires otherwise:

- 6 (1) "Commissioner" means the commissioner of *the department*~~[revenue]~~;
- 7 (2) "Department" means the Department of Revenue;
- 8 (3) "Fiduciary" means a guardian, trustee, executor, administrator, receiver,
9 conservator, or any individual or corporation acting in a fiduciary capacity for any
10 other person;
- 11 (4) "Taxpayer" means any person required or permitted by law or administrative
12 regulation to perform any act subject to the administrative jurisdiction of the
13 department including the following:
- 14 (a) File a report, return, statement, certification, claim, estimate, declaration,
15 form, or other document;
- 16 (b) Furnish any information;
- 17 (c) Withhold, collect, or pay any tax, installment, estimate, or other funds;
- 18 (d) Secure any license, permit, or other authorization to conduct a business or
19 exercise any privilege, right, or responsibility;
- 20 (5) "Adjusted prime rate charged by banks" means the average predominant prime rate
21 quoted by commercial banks to large businesses, as determined by the board of
22 governors of the Federal Reserve System;
- 23 (6) "Tax interest rate" means the interest rate determined under KRS 131.183;
- 24 (7) "Tax" includes any assessment or license fee administered by the department;
25 however, it shall not include moneys withheld or collected by the department
26 pursuant to KRS 131.560 or 160.627;
- 27 (8) "Return" or "report" means any properly completed and, if required, signed form,

1 statement, certification, claim estimate, declaration, or other document permitted or
2 required to be submitted or filed with the department, including returns and reports
3 or composites thereof which are permitted or required to be electronically
4 transmitted;

5 (9) "Reasonable cause" means an event, happening, or circumstance entirely beyond
6 the knowledge or control of a taxpayer who has exercised due care and prudence in
7 the filing of a return or report or the payment of moneys due the department
8 pursuant to law or administrative regulation;

9 (10) "Fraud" means:

10 (a) Intentional or reckless disregard for the law, administrative regulations, or the
11 department's established policies to evade the filing of any return, report, or
12 the payment of any moneys due to the department pursuant to law or
13 administrative regulation; or

14 (b) The deliberate false reporting of returns or reports with the intent to gain a
15 monetary advantage;

16 (11) "Hard copy" means any document, record, report, or other data printed on paper or
17 stored by an imaging system that does not permit additions, deletions, or other
18 changes to the original documents;

19 (12) "Electronic record" means a collection of related information stored as bits of data
20 in a medium that supports electronic extraction of the data at the field level, but
21 does not include electronic imaging systems;

22 (13) "Electronic imaging systems" means a computer-based system used to store
23 reproductions of documents and records through the use of electronic data
24 processing, or computerized, digital, or optical scanning which records and indexes
25 the document, but does not support electronic extraction of the data at the field
26 level;

27 (14) "Electronic fund transfer" means an electronic data processing medium that takes

1 the place of a paper check for debiting or crediting an account and of which a
2 permanent record is made;

3 (15) "Specified tax return preparer" has the same meaning as in 26 U.S.C. sec.
4 6011(e)(3);~~and~~

5 (16) "Tax return preparer" has the same meaning as in 26 U.S.C. sec. 7701(a)(36)(A);
6 and

7 (17) "Administrative writings" means the following, as created, published, issued, or
8 released by the department and redacted to protect taxpayer-specific information:

9 (a) Final rulings;

10 (b) Manuals and training procedures;

11 (c) Presentations;

12 (d) Technical advice memoranda;

13 (e) General information letters; and

14 (f) Private letter rulings.

15 ➔Section 2. KRS 131.020 is amended to read as follows:

16 (1) The department~~[of Revenue]~~, headed by a commissioner appointed by the secretary
17 with the approval of the Governor, shall be organized into the following functional
18 units:

19 (a) Office of the Commissioner, which shall consist of:

20 1. The Division of Protest Resolution, headed by a division director who
21 shall report directly to the commissioner. The division shall administer
22 the protest functions for the department from office resolution through
23 court action;

24 2. The Division of Taxpayer Ombudsman, headed by a division director
25 who shall report to the commissioner. The division shall perform those
26 duties set out in KRS 131.083;

27 3. The Special Investigations Division, headed by a division director who

1 shall report directly to the commissioner. The division shall investigate
2 alleged violations of the tax laws and recommend criminal prosecution
3 of the laws when warranted; and

4 4. The Division of Information Management, headed by a division director
5 who shall report directly to the commissioner. The division shall provide
6 project management, planning, analysis, application development,
7 implementation, security, support, and maintenance for new and existing
8 legacy systems of the department;

9 (b) Office of Tax Policy and Regulation, headed by an executive director who
10 shall report directly to the commissioner. The office shall be responsible for:

- 11 1. Providing oral and written technical advice on Kentucky tax law;
- 12 2. Drafting proposed tax legislation and regulations;
- 13 3. Testifying before legislative committees on tax matters;
- 14 4. Analyzing tax publications;
- 15 5. *Publishing administrative writings on its official website promptly*
16 *after issuance or finalization, but no more than one hundred twenty*
17 *(120) days thereafter;*

- 18 6. Providing expert witness testimony in tax litigation cases;
- 19 ~~7.~~ Providing consultation and assistance in protested tax cases; and
- 20 ~~8.~~ Conducting training and education programs;

21 (c) Office of Registration and Operations, headed by an executive director who
22 shall report directly to the commissioner. The office shall be responsible for
23 processing documents, depositing funds, collecting debt payments, and
24 coordinating, planning, and implementing a data integrity strategy. The office
25 shall consist of the:

- 26 1. Division of Operations, which shall be responsible for opening all tax
27 returns, preparing the returns for data capture, coordinating the data

- 1 capture process, depositing receipts, maintaining tax data, and assisting
2 other state agencies with similar operational aspects as negotiated
3 between the department and the other agency; and
- 4 2. Division of Registration, which shall be responsible for registering
5 businesses for tax purposes, ensuring that the data entered into the
6 department's tax systems is accurate and complete, and assisting the
7 taxing areas in proper procedures to ensure the accuracy of the data over
8 time;
- 9 (d) Office of Property Valuation, headed by an executive director who shall
10 report directly to the commissioner. The office shall consist of the:
- 11 1. Division of Local Support, which shall be responsible for providing
12 supervision, assistance, and training to the property valuation
13 administrators and sheriffs within the Commonwealth;
- 14 2. Division of State Valuation, which shall be responsible for providing
15 assessments of public service companies and motor vehicles, and
16 providing assistance to property valuation administrators and sheriffs
17 with the administration of tangible and omitted property taxes within the
18 Commonwealth; and
- 19 3. Division of Minerals Taxation and Geographical Information System
20 Services, which shall be responsible for providing geographical
21 information system mapping support, ensuring proper filing of
22 severance tax returns, ensuring consistency of unmined coal
23 assessments, and gathering and providing data to properly assess
24 minerals to the property valuation administrators within the
25 Commonwealth;
- 26 (e) Office of Sales and Excise Taxes, headed by an executive director who shall
27 report directly to the commissioner. The office shall administer all matters

1 relating to sales and use taxes and miscellaneous excise taxes, including but
2 not limited to technical tax research, compliance, taxpayer assistance, tax-
3 specific training, and publications. The office shall consist of the:

- 4 1. Division of Sales and Use Tax, which shall administer the sales and use
5 tax; and
- 6 2. Division of Miscellaneous Taxes, which shall administer various other
7 taxes, including but not limited to alcoholic beverage taxes; cigarette
8 enforcement fees, stamps, meters, and taxes; gasoline tax; bank
9 franchise tax; inheritance and estate tax; insurance premiums and
10 insurance surcharge taxes; motor vehicle tire fees and usage taxes; and
11 special fuels taxes;

12 (f) Office of Income Taxation, headed by an executive director who shall report
13 directly to the commissioner. The office shall administer all matters related to
14 income and corporation license taxes, including technical tax research,
15 compliance, taxpayer assistance, tax-specific training, and publications. The
16 office shall consist of the:

- 17 1. Division of Individual Tax, which shall administer the following taxes
18 or returns: individual income, fiduciary, and employer withholding; and
- 19 2. Division of Corporation Tax, which shall administer the corporation
20 income tax, corporation license tax, pass-through entity withholding,
21 and pass-through entity reporting requirements;

22 (g) Office of Field Operations, headed by an executive director who shall report
23 directly to the commissioner. The office shall manage the regional taxpayer
24 service centers and the field audit program; and

25 (h) Office of Enforcement, headed by an executive director who shall report
26 directly to the commissioner. The office shall initiate all collection
27 enforcement activity related to due and owing tax assessments, including

1 protest resolution, and shall assist other state agencies with similar collection
2 aspects as negotiated between the department and other state agencies. The
3 office shall consist of the Division of Collections.

4 (2) The functions and duties of the department shall include conducting conferences,
5 administering taxpayer protests, and settling tax controversies on a fair and
6 equitable basis, taking into consideration the hazards of litigation to the
7 Commonwealth of Kentucky and the taxpayer. The mission of the department shall
8 be to afford an opportunity for taxpayers to have an independent informal review of
9 the determinations of the audit functions of the department, and to attempt to fairly
10 and equitably resolve tax controversies at the administrative level.

11 (3) The department shall maintain an accounting structure for the one hundred twenty
12 (120) property valuation administrators' offices across the Commonwealth in order
13 to facilitate use of the state payroll system and the budgeting process.

14 (4) Except as provided in KRS 131.190(4), the department shall fully cooperate with
15 and make tax information available as prescribed under KRS 131.190(3) to the
16 Governor's Office for Economic Analysis as necessary for the office to perform the
17 tax administration function established in KRS 42.410.

18 (5) Executive directors and division directors established under this section shall be
19 appointed by the secretary with the approval of the Governor under KRS 12.050.

20 ➔Section 3. KRS 131.030 is amended to read as follows:

21 (1) The Department of Revenue shall exercise all administrative functions of the state
22 in relation to:

23 (a) The state revenue and tax laws;[]

24 (b) ***The publishing of administrative writings on its official website;***

25 (c) The licensing and registering of motor vehicles;[]

26 (d) The equalization of tax assessments;[]

27 (e) The assessment of public utilities and public service corporations for taxes;[]

- 1 (f) The assessment of franchises;~~;~~
- 2 (g) The supervision of tax collections;~~;~~ and
- 3 (h) The enforcement of revenue and tax laws, either directly or through
- 4 supervision of tax administration activity in other departments to which the
- 5 department may commit administration of certain taxes.

6 (2) The department shall have all the powers and duties with reference to assessment or

7 equalization of the assessment of property heretofore exercised or performed by any

8 state board or commission.

9 (3) The department shall have all the powers and duties necessary to consider and settle

10 tax cases under KRS 131.110 and refund claims made under KRS 134.580. The

11 department is encouraged to settle controversies on a fair and equitable basis and

12 shall be authorized to settle tax controversies based on the hazards of litigation

13 applicable to them.

14 (4) The department shall have all the powers and duties necessary to collect any debts

15 owed to the Commonwealth, or any local government of the Commonwealth, that

16 are referred to the department by an organizational unit or administrative body in

17 the executive branch of state government, as defined in KRS 12.010, the Court of

18 Justice in the judicial branch of state government, and any local government, under

19 KRS 45.237 and 45.241.

20 ➔Section 4. KRS 131.081 is amended to read as follows:

21 The following rules, principles, or requirements shall apply in the administration of all

22 taxes subject to the jurisdiction of the department:

23 (1) The department shall develop and implement a Kentucky tax education and

24 information program ***that:***

25 (a) ***Is*** directed at new taxpayers, taxpayer and industry groups, and department

26 employees to enhance the understanding of and compliance with Kentucky

27 tax laws;~~;~~~~including~~

1 **(b) Includes information on:**

2 **1.** The application of new tax legislation to taxpayer activities; and

3 **2.** Areas of recurrent taxpayer noncompliance or inconsistency of
4 administration; **and**

5 **(c) Is published as part of the administrative writings posted on its official**
6 **website:**

7 (2) The department shall publish brief statements in simple and nontechnical language
8 which explain procedures, remedies, and the rights and obligations of taxpayers and
9 the department. These statements shall be provided to taxpayers with the initial
10 notice of audit; each original notice of tax due; each denial or reduction of a refund
11 or credit claimed by a taxpayer; each denial, cancellation, or revocation of any
12 license, permit, or other required authorization applied for or held by a taxpayer;
13 and, if practical and appropriate, in informational publications by the department
14 distributed to the public;

15 (3) Taxpayers shall have the right to be assisted or represented by an attorney,
16 accountant, or other person in any conference, hearing, or other matter before the
17 department. The taxpayer shall be informed of this right prior to conduct of any
18 conference or hearing;

19 (4) The department shall perform audits and conduct conferences and hearings only at
20 reasonable times and places;

21 (5) Taxpayers shall have the right to make audio recordings of any conference with or
22 hearing by the department. The department may make similar audio recordings if
23 prior written notice is given to the taxpayer or if the taxpayer records the conference
24 or hearing. The taxpayer shall be entitled to a copy of this department recording or a
25 transcript as provided in KRS 61.874;

26 (6) If any taxpayer's failure to submit a timely return or payment to the department is
27 due to the taxpayer's reasonable reliance on written advice from the department, the

1 taxpayer shall be relieved of any penalty or interest with respect thereto, provided
2 the taxpayer requested the advice in writing from the department and the specific
3 facts and circumstances of the activity or transaction were fully described in the
4 taxpayer's request, the department did not subsequently rescind or modify the
5 advice in writing, and there were no subsequent changes in applicable laws or
6 regulations or a final decision of a court which rendered the department's earlier
7 written advice no longer valid;

8 (7) Taxpayers shall have the right to receive a copy of any audit of the department by
9 the Auditor of Public Accounts relating to the department's compliance with the
10 provisions of KRS 131.041 to 131.081;

11 (8) (a) The department shall include with each notice of tax due a clear and concise
12 description of the basis and amount of any tax, penalty, and interest assessed
13 against the taxpayer and the agent's written narrative setting forth the grounds
14 upon which the assessment is made.

15 (b) Copies of the agent's audit workpapers shall be:

- 16 1. Included with the notice of tax due; or
- 17 2. Delivered electronically to the taxpayer.

18 (c) Taxpayers shall be similarly notified regarding the denial or reduction of any
19 refund or credit claim filed by a taxpayer;

20 (9) (a) Taxpayers shall have the right to an installment payment agreement for the
21 payment of delinquent taxes, penalties, and interest owed, provided the
22 taxpayer requests the agreement in writing clearly demonstrating:

- 23 1. His or her inability to pay in full; and
- 24 2. That the agreement will facilitate collection by the department of the
25 amounts owed.

26 (b) The department may modify or terminate an installment payment agreement
27 and may pursue statutory remedies against the taxpayer if it determines that:

- 1 1. The taxpayer has not complied with the terms of the agreement,
2 including minimum payment requirements established by the
3 agreement;
 - 4 2. The taxpayers' financial condition has sufficiently changed;
 - 5 3. The taxpayer fails to provide any requested financial condition update
6 information;
 - 7 4. The taxpayer gave false or misleading information in securing the
8 agreement; or
 - 9 5. The taxpayer fails to timely report and pay any other tax due the
10 Commonwealth.
- 11 (c) The department shall give written notice to the taxpayer at least thirty (30)
12 days prior to modifying or terminating an installment payment agreement
13 unless the department has reason to believe that collection of the amounts
14 owed will be jeopardized in whole or in part by delay;
- 15 (10) The department shall not knowingly authorize, require, or conduct any investigation
16 or surveillance of any person for nontax administration related purposes, except
17 internal security related investigations involving department personnel;
- 18 (11) In addition to the circumstances under which an extension of time for filing reports
19 or returns may be granted pursuant to KRS 131.170, taxpayers shall be entitled to
20 the same extension of the due date of any comparable Kentucky tax report or return
21 for which the taxpayer has secured a written extension from the Internal Revenue
22 Service provided the taxpayer notifies the department in writing and provides a
23 copy of the extension at the time and in the manner which the department may
24 require;
- 25 (12) The department shall bear the cost or, if paid by the taxpayer, reimburse the
26 taxpayer for recording or bank charges as the direct result of any erroneous lien or
27 levy by the department, provided the erroneous lien or levy was caused by

1 department error and, prior to issuance of the erroneous lien or levy, the taxpayer
2 timely responded to all contacts by the department and provided information or
3 documentation sufficient to establish his or her position. When the department
4 releases any erroneous lien or levy, notice of the fact shall be mailed to the taxpayer
5 and, if requested by the taxpayer, a copy of the release, together with an
6 explanation, shall be mailed to the major credit reporting companies located in the
7 county where it was filed;

8 (13) (a) The department shall not evaluate individual officers or employees on the
9 basis of taxes assessed or collected or impose or suggest tax assessment or
10 collection quotas or goals.

11 (b) No arrangement or contract shall be entered into for the service to:

- 12 1. Examine a taxpayer's books and records;
- 13 2. Collect a tax from a taxpayer; or
- 14 3. Provide legal representation of the department;

15 if any part of the compensation or other benefits paid or payable for the
16 service is contingent upon or otherwise related to the amount of tax, interest,
17 fee, or penalty assessed against or collected from the taxpayer. Any such
18 arrangement or contract shall be void and unenforceable;

19 (14) Taxpayers shall have the right to bring an action for damages against the
20 Commonwealth to the Board of Tax Appeals for actual and direct monetary
21 damages sustained by the taxpayer as a result of willful, reckless, or intentional
22 disregard by department employees of the rights of taxpayers as set out in KRS
23 131.041 to 131.081 or in the tax laws administered by the department. In the
24 awarding of damages pursuant to this subsection, the board shall take into
25 consideration the negligence or omissions, if any, on the part of the taxpayer which
26 contributed to the damages. If any proceeding brought by a taxpayer is ruled
27 frivolous by the Board of Tax Appeals, the department shall be reimbursed by the

1 taxpayer for its costs in defending the action. Any claims brought pursuant to this
2 subsection shall be in accordance with KRS 49.040 to 49.180; and

3 (15) Taxpayers shall have the right to privacy with regard to the information provided on
4 their Kentucky tax returns and reports, including any attached information or
5 documents. Except as provided in KRS 131.190, no information pertaining to the
6 returns, reports, or the affairs of a person's business shall be divulged by the
7 department to any person or be intentionally and without authorization inspected by
8 any present or former commissioner or employee of the department, member of a
9 county board of assessment appeals, property valuation administrator or employee,
10 or any other person.

11 ➔Section 5. KRS 131.130 is amended to read as follows:

12 Without limitation of other duties assigned to it by law, the following powers and duties
13 are vested in the department~~[of Revenue]~~:

14 (1) The department may promulgate administrative regulations, and direct proceedings
15 and actions, for the administration and enforcement of all tax laws of this state. To
16 assist taxpayers in understanding and interpreting the tax laws, the department may,
17 through incorporation by reference, include examples as part of any administrative
18 regulation. The examples may include demonstrative, nonexclusive lists of items if
19 the department determines the lists would be helpful to taxpayers in understanding
20 the application of the tax laws.

21 (2) The department, by representatives it appoints in writing, may take testimony or
22 depositions, and may examine hard copy or electronic records, any person's
23 documents, files, and equipment if those records, documents, or equipment will
24 furnish knowledge concerning any taxpayer's tax liability, when it deems this
25 reasonably necessary to the performance of its functions. The department may
26 enforce this right by application to the Circuit Court in the county where the person
27 is domiciled or has his or her principal office, or by application to the Franklin

1 Circuit Court, which courts may compel compliance with the orders of the
2 department.

3 (3) The department shall prescribe the style, and determine and enforce the use or
4 manner of keeping, of all assessment and tax forms and records employed by state
5 and county officials, and may prescribe forms necessary for the administration of
6 any revenue law.

7 (4) The department shall advise on all questions respecting the construction of state
8 revenue laws and its application to various classes of taxpayers and property.

9 (5) Attorneys employed by the Finance and Administration Cabinet and approved by
10 the Attorney General as provided in KRS 15.020 may prosecute all violations of the
11 criminal and penal laws relating to revenue and taxation. If a Finance and
12 Administration Cabinet attorney undertakes any of the actions prescribed in this
13 subsection, that attorney shall be authorized to exercise all powers and perform all
14 duties in respect to the criminal actions or proceedings which the prosecuting
15 attorney would otherwise perform or exercise, including the authority to sign, file,
16 and present any complaints, affidavits, information, presentments, accusations,
17 indictments, subpoenas, and processes of any kind, and to appear before all grand
18 juries, courts, or tribunals.

19 (6) In the event of the incapacity of attorneys employed by the Finance and
20 Administration Cabinet or at the request of the secretary of the Finance and
21 Administration Cabinet, the Attorney General or his or her designee shall prosecute
22 all violations of the criminal and penal laws relating to revenue and taxation. If the
23 Attorney General undertakes any of the actions prescribed in this subsection, he or
24 she shall be authorized to exercise all powers and perform all duties in respect to
25 the criminal actions or proceedings which the prosecuting attorney would otherwise
26 perform or exercise, including but not limited to the authority to sign, file, and
27 present any and all complaints, affidavits, information, presentments, accusations,

1 indictments, subpoenas, and processes of any kind, and to appear before all grand
2 juries, courts, or tribunals.

3 (7) The department may require the Commonwealth's attorneys and county attorneys to
4 prosecute actions and proceedings and perform other services incident to the
5 enforcement of laws assigned to the department for administration.

6 (8) (a) Notwithstanding KRS Chapter 13A, the department may research the fields of
7 taxation, finance, and local government administration, publish its findings,
8 respond to the public's and taxpayers' questions, and publish its responses~~, as~~
9 ~~the commissioner may deem wise~~.

10 (b) To assist taxpayers and the public in understanding and interpreting the tax
11 laws, the department:

12 1. May include examples as part of any response or publication. The
13 examples may include demonstrative, nonexclusive lists of items, if the
14 department determines that the list would be helpful to taxpayers in
15 understanding the application of the tax laws; and

16 2. *Shall publish its administrative writings on its official website in*
17 *accordance with subsection 1(b) of Section 2 of this Act.*

18 (9) The department may promulgate administrative regulations necessary to establish a
19 system of taxpayer identifying numbers for the purpose of securing proper
20 identification of taxpayers subject to any tax laws or other revenue measure of this
21 state, and may require the taxpayer to place on any return, report, statement, or
22 other document required to be filed, any number assigned pursuant to the
23 administrative regulations.

24 (10) The department may, when it is in the best interest of the Commonwealth and
25 helpful to the efficient and effective enforcement, administration, or collection of
26 sales and use tax, motor fuels tax, or the petroleum environmental assurance fee,
27 enter into agreements with out-of-state retailers or other persons for the collection

1 and remittance of sales and use tax, the motor fuels tax, or the petroleum
2 environmental assurance fee.

3 (11) The department may enter into annual memoranda of agreement with any state
4 agency, officer, board, commission, corporation, institution, cabinet, department, or
5 other state organization to assume the collection duties for any debts due the state
6 entity, except for consumer debt owed for health care goods and services, and may
7 renew that agreement for up to five (5) years. Under such an agreement, the
8 department shall have all the powers, rights, duties, and authority with respect to the
9 collection, refund, and administration of those liquidated debts as provided under:

10 (a) KRS Chapters 131, 134, and 135 for the collection, refund, and administration
11 of delinquent taxes; and

12 (b) Any applicable statutory provisions governing the state agency, officer, board,
13 commission, corporation, institution, cabinet, department, or other state
14 organization for the collection, refund, and administration of any liquidated
15 debts due the state entity.

16 (12) Notwithstanding subsection (11) of this section, KRS 45.237, 45.238, 45.241, or
17 131.030, or any agreement to the contrary, the department shall not collect or
18 continue collection duties of any consumer debts owed for health care goods and
19 services. For the purpose of this section, "consumer debt" shall be defined as a debt
20 incurred by an individual, as defined in KRS 141.010, for a personal or family
21 purpose, regardless of whether an obligation has been reduced to judgment.

22 (13) The department may refuse to accept a personal check in payment of taxes due or
23 collected from any person who has ever tendered a check to the state which, when
24 presented for payment, was not honored. Any check so refused shall be considered
25 as never having been tendered.

26 ➔Section 6. KRS 131.190 is amended to read as follows:

27 (1) No present or former commissioner or employee of the department, present or

1 former member of a county board of assessment appeals, present or former property
2 valuation administrator or employee, present or former secretary or employee of the
3 Finance and Administration Cabinet, former secretary or employee of the
4 department~~[Revenue Cabinet]~~, or any other person, shall intentionally and without
5 authorization inspect or divulge any information acquired by him or her of the
6 affairs of any person, or information regarding the tax schedules, returns, or reports
7 required to be filed with the department or other proper officer, or any information
8 produced by a hearing or investigation, insofar as the information may have to do
9 with the affairs of the person's business.

10 (2) The prohibition established by subsection (1) of this section shall not extend to:

- 11 (a) Information required in prosecutions for making false reports or returns of
12 property for taxation, or any other infraction of the tax laws;
- 13 (b) Any matter properly entered upon any assessment record, or in any way made
14 a matter of public record;
- 15 (c) Furnishing any taxpayer or his or her properly authorized agent with
16 information respecting his or her own return;
- 17 (d) Testimony provided by the commissioner or any employee of the department
18 in any court, or the introduction as evidence of returns or reports filed with the
19 department, in an action for violation of state or federal tax laws or in any
20 action challenging state or federal tax laws;
- 21 (e) Providing an owner of unmined coal, oil or gas reserves, and other mineral or
22 energy resources assessed under KRS 132.820, or owners of surface land
23 under which the unmined minerals lie, factual information about the owner's
24 property derived from third-party returns filed for that owner's property, under
25 the provisions of KRS 132.820, that is used to determine the owner's
26 assessment. This information shall be provided to the owner on a confidential
27 basis, and the owner shall be subject to the penalties provided in KRS

- 1 131.990(2). The third-party filer shall be given prior notice of any disclosure
2 of information to the owner that was provided by the third-party filer;
- 3 (f) Providing to a third-party purchaser pursuant to an order entered in a
4 foreclosure action filed in a court of competent jurisdiction, factual
5 information related to the owner or lessee of coal, oil, gas reserves, or any
6 other mineral resources assessed under KRS 132.820. The department may
7 promulgate an administrative regulation establishing a fee schedule for the
8 provision of the information described in this paragraph. Any fee imposed
9 shall not exceed the greater of the actual cost of providing the information or
10 ten dollars (\$10);
- 11 (g) Providing information to a licensing agency, the Transportation Cabinet, or
12 the Kentucky Supreme Court under KRS 131.1817;
- 13 (h) Statistics of gasoline and special fuels gallonage reported to the department
14 under KRS 138.210 to 138.448;
- 15 (i) Providing any utility gross receipts license tax return information that is
16 necessary to administer the provisions of KRS 160.613 to 160.617 to
17 applicable school districts on a confidential basis;
- 18 (j) Providing documents, data, or other information to a third party pursuant to an
19 order issued by a court of competent jurisdiction;~~or~~
- 20 (k) **Publishing administrative writings on its official website in accordance with**
21 **subsection 1(b) of Section 2 of this Act; or**
- 22 (l) Providing information to the Legislative Research Commission under:
- 23 1. KRS 139.519 for purposes of the sales and use tax refund on building
24 materials used for disaster recovery;
- 25 2. KRS 141.436 for purposes of the energy efficiency products credits;
- 26 3. KRS 141.437 for purposes of the ENERGY STAR home and the
27 ENERGY STAR manufactured home credits;

- 1 4. KRS 141.383 for purposes of the film industry incentives;
 - 2 5. KRS 154.26-095 for purposes of the Kentucky industrial revitalization
 - 3 tax credits and the job assessment fees;
 - 4 6. KRS 141.068 for purposes of the Kentucky investment fund;
 - 5 7. KRS 141.396 for purposes of the angel investor tax credit;
 - 6 8. KRS 141.389 for purposes of the distilled spirits credit;
 - 7 9. KRS 141.408 for purposes of the inventory credit;
 - 8 10. KRS 141.390 for purposes of the recycling and composting credit;
 - 9 11. KRS 141.3841 for purposes of the selling farmer tax credit;
 - 10 12. KRS 141.4231 for purposes of the renewable chemical production tax
 - 11 credit;
 - 12 13. KRS 141.524 for purposes of the Education Opportunity Account
 - 13 Program tax credit;
 - 14 14. KRS 141.398 for purposes of the development area tax credit;
 - 15 15. KRS 139.516 for the purposes of the sales and use tax exemption on the
 - 16 commercial mining of cryptocurrency; and
 - 17 16. KRS 141.419 for purposes of the decontamination tax credit.
- 18 (3) The commissioner shall make available any information for official use only and on
- 19 a confidential basis to the proper officer, agency, board or commission of this state,
- 20 any Kentucky county, any Kentucky city, any other state, or the federal
- 21 government, under reciprocal agreements whereby the department shall receive
- 22 similar or useful information in return.
- 23 (4) Access to and inspection of information received from the Internal Revenue Service
- 24 is for department use only, and is restricted to tax administration purposes.
- 25 Information received from the Internal Revenue Service shall not be made available
- 26 to any other agency of state government, or any county, city, or other state, and
- 27 shall not be inspected intentionally and without authorization by any present

1 secretary or employee of the Finance and Administration Cabinet, commissioner or
2 employee of the department, or any other person.

3 (5) Statistics of crude oil as reported to the department under the crude oil excise tax
4 requirements of KRS Chapter 137 and statistics of natural gas production as
5 reported to the department under the natural resources severance tax requirements
6 of KRS Chapter 143A may be made public by the department by release to the
7 Energy and Environment Cabinet, Department for Natural Resources.

8 (6) Notwithstanding any provision of law to the contrary, beginning with mine-map
9 submissions for the 1989 tax year, the department may make public or divulge only
10 those portions of mine maps submitted by taxpayers to the department pursuant to
11 KRS Chapter 132 for ad valorem tax purposes that depict the boundaries of mined-
12 out parcel areas. These electronic maps shall not be relied upon to determine actual
13 boundaries of mined-out parcel areas. Property boundaries contained in mine maps
14 required under KRS Chapters 350 and 352 shall not be construed to constitute land
15 surveying or boundary surveys as defined by KRS 322.010 and any administrative
16 regulations promulgated thereto.