136.505 Franchise tax for financial institutions -- Relationship to other state and local taxes.

- (1) Every financial institution regularly engaged in business in this Commonwealth at any time during the taxable year as determined under KRS 136.520 shall pay an annual state franchise tax for each taxable year or portion of a taxable year to be measured by its net capital as determined in KRS 136.515 and, for financial institutions with business activity that is taxable both within and without this Commonwealth, apportioned under KRS 136.525.
- (2) The tax shall be in lieu of all city, county, and local taxes, except the real estate transfer tax levied in KRS Chapter 142, real property and tangible personal property taxes levied in KRS Chapter 132, taxes upon users of utility services, and the local franchise tax levied in KRS 136.575.
- (3) Every financial institution regularly engaged in business in this Commonwealth shall be subject to all state taxes in effect on July 15, 1996, except for the corporation income tax levied in KRS Chapter 141, the limited liability entity tax levied in KRS 141.0401, and the corporation license tax levied in this chapter.

Effective: June 28, 2006

History: Amended 2006 (1st Extra. Sess.) Ky. Acts ch. 2, sec. 13, effective June 28, 2006. -- Created 1996 Ky. Acts ch. 254, sec. 3, effective July 15, 1996.

Legislative Research Commission Note (6/28/2006). 2006 (1st Extra Sess.) Ky. Acts ch. 2, sec. 73, provides that "unless a provision of this Act specifically applies to an earlier tax year, the provisions of this Act shall apply to taxable years beginning on or after January 1, 2007."