

154.26-010 Definitions for Subchapter 26 of KRS Chapter 154.

As used in this subchapter, unless the context clearly indicates otherwise:

- (1) "Agreement" means a revitalization agreement entered into, pursuant to KRS 154.26-090, on behalf of the authority and an approved company with respect to an economic revitalization project;
- (2) "Agribusiness" means any activity involving the processing of raw agricultural products, including timber, or the providing of value-added functions with regard to raw agricultural products;
- (3) "Appropriation agreement" means an agreement entered into, pursuant to KRS 154.26-090(1)(f)2., among the approved company, the authority, and local governmental entities with respect to appropriations by these local governmental entities for the benefit of the approved company;
- (4) "Approved company" means any eligible company approved by the authority pursuant to KRS 154.26-080 requiring an economic revitalization project;
- (5) "Approved costs" means:
 - (a) Obligations incurred for labor and to vendors, contractors, subcontractors, builders, suppliers, deliverymen, and materialmen in connection with the acquisition, construction, equipping, rehabilitation, and installation of an economic revitalization project;
 - (b) The cost of contract bonds and of insurance of all kinds that may be required or necessary during the course of acquisition, construction, equipping, rehabilitation, and installation of an economic revitalization project which is not paid by the vendor, supplier, deliveryman, contractor, or otherwise provided;
 - (c) All costs of architectural and engineering services, including estimates, plans and specifications, preliminary investigations, and supervision of construction, rehabilitation and installation, as well as for the performance of all the duties required by or consequent upon the acquisition, construction, equipping, rehabilitation, and installation of an economic revitalization project;
 - (d) All costs required to be paid under the terms of any contract for the acquisition, construction, equipping, rehabilitation, and installation of an economic revitalization project;
 - (e) All costs required for the installation of utilities, including but not limited to water, sewer, sewer treatment, gas, electricity, communications, and railroads, and including off-site construction of the facilities paid for by the approved company; and
 - (f) All other costs comparable with those described above;
- (6) "Assessment" means the job revitalization assessment fee authorized by KRS 154.26-100;
- (7) "Authority" means the Kentucky Economic Development Finance Authority created by KRS 154.20-010;
- (8) "Commonwealth" means the Commonwealth of Kentucky;

- (9) "Economic revitalization project" or "project":
- (a) Means the acquisition, construction, equipping, and rehabilitation of machinery and equipment, constituting fixtures or otherwise, and with respect thereto, the construction, rehabilitation, and installation of improvements of facilities necessary or desirable for the acquisition, construction, installation, and rehabilitation of the machinery and equipment, including surveys; installation of utilities, including water, sewer, sewage treatment, gas, electricity, communications, and similar facilities; and off-site construction of utility extensions to the boundaries of the real estate on which the facilities are located, all of which are utilized to improve the economic situation of the approved company to allow the approved company to remain in operation and retain or create jobs or to resume operations in the case of closed facilities as provided in subsection (10)(b) of this section; and
 - (b) Includes any supplemental project;
- (10) "Eligible company" means any corporation, limited liability company, partnership, limited partnership, sole proprietorship, business trust, or any other entity:
- (a) Employing or intending to employ full-time a minimum of twenty-five (25) persons engaged in manufacturing or agribusiness operations at the same facility, whether acquired, owned, or leased, located and operating within the Commonwealth on a permanent basis for a reasonable period of time preceding the request for approval by the authority of an economic revitalization project, including facilities where manufacturing or agribusiness operations has been temporarily suspended and which meets the standards promulgated by the authority pursuant to KRS 154.26-080; or
 - (b) Having or, in the case of closed facilities, intending, raw production of at least three (3) million tons of coal mined from the economic revitalization project facility and employing or, in the case of closed facilities, intending to employ, a minimum of five hundred (500) persons engaged in coal mining and processing operations at facilities, whether owned or leased, located and operating within the Commonwealth on a permanent basis for a reasonable period of time preceding the request for approval by the authority of an economic revitalization project, including facilities on or adjacent to where coal mining and processing operations have been closed, temporarily suspended, or severely reduced, and which meets the standards promulgated by the authority under KRS 154.26-080;
- (11) "Final approval" means the action taken by the authority authorizing the eligible company to receive inducements under this subchapter;
- (12) "Inducements" means the Kentucky tax credit and the job revitalization assessment fee as prescribed in KRS 154.26-090 and 154.26-100;
- (13) "Manufacturing" means any activity involving the manufacturing, processing, assembling, or production of any property, including the processing that results in a change in the condition of the property and any related activity or function, together with the storage, warehousing, distribution, and related office facilities;

- (14) "Coal mining and processing" means activities resulting in the eligible company being subject to the tax imposed by KRS Chapter 143;
- (15) "Preliminary approval" means the action taken by the authority conditioning final approval by the authority upon satisfaction by the eligible company of the requirements under this subchapter;
- (16) "State agency" means any state administrative body, agency, department, or division as defined in KRS 42.010, or any board, commission, institution, or division exercising any function of the state which is not an independent municipal corporation or political subdivision;
- (17) "Supplemental project" means an additional investment in an approved economic revitalization project proposed during, or within sixty (60) months after the expiration of, the initial term of an agreement, and which may be approved by the authority for additional inducements as set forth in KRS 154.26-090;
- (18) "Kentucky gross profits" means Kentucky gross profits as defined in KRS 141.0401;
- (19) "Kentucky gross receipts" means Kentucky gross receipts as defined in KRS 141.0401; and
- (20) "Supplemental project agreement" means an agreement, entered into pursuant to KRS 154.26-090, on behalf of the authority and an approved company with respect to a supplemental project.

Effective: July 15, 2016

History: Amended 2016 Ky. Acts ch. 109, sec. 1, effective July 15, 2016. -- Amended 2014 Ky. Acts ch. 129, sec. 2, effective July 15, 2014. -- Amended 2012 Ky. Acts ch. 119, sec. 1, effective July 12, 2012. -- Amended 2007 Ky. Acts ch. 71, sec. 1, effective March 23, 2007. -- Amended 2006 (1st Extra. Sess.) Ky. Acts ch. 2, sec. 56, effective June 28, 2006. -- Amended 2006 Ky. Acts ch. 149, sec. 219, effective July 12, 2006. -- Amended 2004 Ky. Acts ch. 18, sec. 6, effective July 13, 2004; and ch. 105, sec. 22, effective July 13, 2004. -- Amended 2001 Ky. Acts ch. 153, sec. 1, effective March 20, 2001. -- Amended 2000 Ky. Acts ch. 547, sec. 2, effective July 14, 2000. -- Amended 1996 Ky. Acts ch. 194, sec. 45, effective July 15, 1996. -- Amended 1994 Ky. Acts ch. 390, sec. 6, effective July 15, 1994; ch. 450, sec. 21, effective July 15, 1994; and ch. 499, sec. 23, effective July 15, 1994. -- Created 1992 Ky. Acts ch. 359, sec. 1, effective July 14, 1992.

Legislative Research Commission Note (7/12/2012). 2012 Ky. Acts ch. 119, sec. 4, provides that this statute, as amended by 2012 Ky. Acts ch. 119, sec. 1, "shall apply to taxable years beginning on or after January 1, 2014."

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."