

**154.31-020 Annual incentive cap established -- Requirements for qualification for incentives -- Maximum incentives available to an approved company.**

- (1) The maximum amount of sales and use tax incentives that may be committed in each fiscal year by the authority shall be capped at twenty million dollars (\$20,000,000) for building and construction materials, and five million dollars (\$5,000,000) for equipment used for research and development, electronic processing, or flight simulation.
- (2)
  - (a) To qualify for the sales and use tax incentives available under this subchapter, an eligible company shall make a minimum investment of at least five hundred thousand dollars (\$500,000) in an economic development project, including the cost of land, but excluding the cost of labor.
  - (b) To qualify for the sales and use tax incentive available under this subchapter for electronic processing equipment, in addition to the requirements of paragraph (a) of this subsection, the eligible company shall spend an aggregate amount of at least fifty thousand dollars (\$50,000) on electronic processing equipment installed as part of the economic development project.
- (3)
  - (a) The maximum sales and use tax incentive available to an approved company under this subchapter is the total amount of sales and use tax paid on purchases made on the following items, up to the approved recovery amount after approval by the authority:
    1. Building and construction materials;
    2. Research and development equipment;
    3. Electronic processing equipment; and
    4. Flight simulation equipment.
  - (b) An approved company may qualify for a sales and use tax incentive in more than one (1) category listed in paragraph (a) of this subsection for the same economic development project. If the authority approves an eligible company to receive the sales and use tax incentives in more than one (1) category, the authority shall allocate the incentives to the appropriate cap established by subsection (1) of this section.

**Effective:** July 14, 2018

**History:** Amended 2018 Ky. Acts ch. 199, sec. 31, effective July 14, 2018. -- Created 2009 (1st Extra. Sess.) Ky. Acts ch. 1, sec. 21, effective June 26, 2009.