

**139.533 Sales tax rebate on sales of admissions and tangible personal property at governmental facility -- Limitation beginning July 1, 2020.**

- (1) Beginning July 1, 2020, no additional applications for a sales tax rebate shall be accepted under this section. Any qualified applicant which has applied and been granted a sales tax rebate under this section shall continue to receive the sales tax rebates provided by this section as long as the governmental entity continues to qualify for the sales tax rebate under this section.
- (2) As used in this section:
  - (a) "Effective date" means the first day of the month following the month in which the department notifies the governmental entity that it is eligible to receive a sales tax rebate;
  - (b) "Governmental entity" means:
    1. Any county with a population of less than one hundred thousand (100,000) residents; or
    2. Any city, agency, instrumentality, quasi-governmental entity, or other political subdivision of the Commonwealth that is located in a county with a population of less than one hundred thousand (100,000) residents; and
  - (c)
    1. "Public facility" means a building owned and operated by a governmental entity that is a multipurpose facility open to the general public for performances and programs relating to arts, sports, and entertainment and which includes at least five hundred (500) seats but not more than eight thousand (8,000) seats.
    2. "Public facility" does not include a university, college, or school gymnasium or auditorium.
- (3)
  - (a) Notwithstanding KRS 134.580 and 139.770, effective July 1, 2010, a governmental entity may be granted a sales tax rebate of up to one hundred percent (100%) of the Kentucky sales tax generated by the sale of admissions to the public facility and the sale of tangible personal property at the public facility. The tax rebate shall be reduced by the vendor compensation allowed under KRS 139.570 on or after July 1, 2010.
  - (b) The governmental entity shall have no obligation to refund or otherwise return any amount of the sales tax rebate to the persons from whom the sales tax was collected.
  - (c) The total tax rebate for each public facility shall not exceed two hundred fifty thousand dollars (\$250,000) in each calendar year.
- (4)
  - (a) To be eligible for a sales tax rebate under this section, the governmental entity shall file an application with the department in the form prescribed by the department through the promulgation of an administrative regulation in accordance with KRS Chapter 13A.
  - (b) The department shall:
    1. Review the application;

2. Determine whether the applicant meets the requirements of this section; and
  3. Notify the applicant in writing whether the applicant qualifies for a rebate and the effective date of qualification.
- (5) A qualified applicant shall file a request for a sales tax rebate within sixty (60) days following the end of each calendar quarter for sales made during the quarter. The request shall be submitted in the form prescribed by the department through the promulgation of an administrative regulation in accordance with KRS Chapter 13A, and shall include supporting information and documentation as determined necessary by the department to verify the requested tax rebate.
- (6) The department shall review the request, verify the amount of sales tax rebate due to the governmental entity, and pay the amount determined due within forty-five (45) days of receipt of the request and all necessary supporting information to the extent the cap established by subsection (3)(c) of this section has not been met.
- (7) Interest shall not be allowed or paid on any sales tax rebate payment made under this section.

**Effective:** June 27, 2019

**History:** Amended 2019 Ky. Acts ch. 151, sec. 31, effective June 27, 2019. -- Created 2009 (1st Extra. Sess.) Ky. Acts ch. 1, sec. 74, effective June 26, 2009.