

1 AN ACT relating to property taxes when the title of real property is transferred.

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

3 ➔Section 1. KRS 132.220 is amended to read as follows:

- 4 (1) (a) All taxable property and all interests in taxable property, unless otherwise
5 specifically provided by law, shall be listed, assessed, and valued as of
6 January 1 of each year.
- 7 (b) 1. It shall be the duty of the holder of the first freehold estate in any real
8 property taxable in this state to list or have listed the property with the
9 property valuation administrator of the county where it is located
10 between January 1 and March 1 in each year, except as otherwise
11 provided by law.
- 12 2. a. It shall be the duty of all persons owning any tangible personal
13 property taxable in this state to list or have listed the property, by
14 the address at which it is located, with the property valuation
15 administrator of the county of taxable situs or with the department
16 between January 1 and May 15 in each year, except as provided by
17 subdivision b. of this subparagraph or otherwise prescribed by law.
- 18 b. On January 1 of each year, for each address, if the sum of all of the
19 taxable tangible personal property's fair cash values is one
20 thousand dollars (\$1,000) or less, the taxpayer shall not be required
21 to list the property in accordance with subdivision a. of this
22 subparagraph.
- 23 c. On January 1 of each year, for each address, if the sum of all of the
24 taxable tangible personal property's fair cash values exceeds one
25 thousand dollars (\$1,000) and the property is not listed as required
26 by subdivision a. of this subparagraph, the property shall be
27 deemed omitted property in accordance with KRS 132.290.

- 1 d. For any taxable tangible personal property that is not listed due to
 2 the one thousand dollar (\$1,000) threshold established in
 3 subdivision b. of this subparagraph, the owner of the property shall
 4 maintain records of the property and its fair cash value calculation
 5 for five (5) years after the expiration of the listing period.
- 6 3. **a. Except as provided by subdivision b. of this subparagraph,** the
 7 holder of legal title, the holder of equitable title, and the claimant
 8 or bailee in possession of the property on the assessment date as
 9 provided by law shall be liable for the taxes thereon, and the
 10 property may be assessed in any of their names. But, as between
 11 them, the holder of the equitable title shall pay the taxes thereon,
 12 whether or not the property is in his or her possession at the time
 13 of payment.
- 14 **b. When the title of real property is transferred during the**
 15 **assessment year, the holder of legal title, the holder of equitable**
 16 **title, and the claimant or bailee in possession of the property on**
 17 **December 31st as provided by law shall be liable for the taxes**
 18 **assessed on the property as of the assessment date, and the**
 19 **property may be assessed in any of their names. But, as between**
 20 **them, the holder of the equitable title shall pay the taxes thereon,**
 21 **whether or not the property is in his or her possession at the time**
 22 **of payment.**
- 23 4. All persons in whose name property is properly assessed shall remain
 24 bound for the tax~~[, notwithstanding they may have sold or parted with~~
 25 ~~it].~~
- 26 (2) Any taxpayer may list his or her property in person before the property valuation
 27 administrator or his deputy, or may file a property tax return by first class mail. Any

1 real property correctly and completely described in the assessment record for the
2 previous year, or purchased during the preceding year and for which a value was
3 stated in the deed according to the provisions of KRS 382.135, may be considered
4 by the owner to be listed for the current year if no changes that could potentially
5 affect the assessed value have been made to the property. However, if requested in
6 writing by the property valuation administrator or by the department, any real
7 property owner shall submit a property tax return to verify existing information or
8 to provide additional information for assessment purposes. Any real property which
9 has been underassessed as a result of the owner intentionally failing to provide
10 information, or intentionally providing erroneous information, shall be subject to
11 revaluation, and the difference in value shall be assessed as omitted property under
12 the provisions of KRS 132.290.

13 (3) If the owner fails to list the property, the property valuation administrator shall
14 nevertheless assess it. The property valuation administrator may swear witnesses in
15 order to ascertain the person in whose name to make the list. The property valuation
16 administrator, his or her employee, or employees of the department may physically
17 inspect, or inspect using any other method approved by the department, and revalue
18 land and buildings in the absence of the property owner or resident. The exterior
19 dimensions of buildings may be measured and building photographs may be taken;
20 however, with the exception of buildings under construction or not yet occupied, an
21 interior inspection of residential and farm buildings, and of the nonpublic portions
22 of commercial buildings shall not be conducted in the absence or without the
23 permission of the owner or resident.

24 (4) Real property shall be assessed in the name of the owner, if ascertainable by the
25 property valuation administrator, otherwise in the name of the occupant, if
26 ascertainable, and otherwise to "unknown owner." The undivided real estate of any
27 deceased person may be assessed to the heirs or devisees of the person without

- 1 designating them by name.
- 2 (5) (a) Real property tax roll entries for which tax bills have not been collected at the
3 expiration of the one (1) year tolling period provided for in KRS 134.546, and
4 for which the property valuation administrator cannot physically locate and
5 identify the real property, shall be deleted from the tax roll and the assessment
6 shall be exonerated.
- 7 (b) The property valuation administrator shall keep a record of these exonerations,
8 which shall be open under the provisions of KRS 61.870 to 61.884.
- 9 (c) If, at any time, one of these entries is determined to represent a valid parcel of
10 property it shall be assessed as omitted property under the provisions of KRS
11 132.290.
- 12 (d) Notwithstanding other provisions of the Kentucky Revised Statutes to the
13 contrary, any loss of ad valorem tax revenue suffered by a taxing district due
14 to the exoneration of these uncollectable tax bills may be recovered through
15 an adjustment in the tax rate for the following year.
- 16 (6) All real property exempt from taxation by Section 170 of the Constitution shall be
17 listed with the property valuation administrator in the same manner and at the same
18 time as taxable real property. The property valuation administrator shall maintain an
19 inventory record of the tax-exempt property, but the property shall not be placed on
20 the tax rolls. A copy of this tax-exempt inventory shall be filed annually with the
21 department within thirty (30) days of the close of the listing period. This inventory
22 shall be in the form prescribed by the department. The department shall make an
23 annual report itemizing all exempt properties to the Governor and the Legislative
24 Research Commission within sixty (60) days of the close of the listing period.
- 25 (7) Each property valuation administrator, under the direction of the department, shall
26 review annually all real property listed with him or her under subsection (6) of this
27 section and claimed to be exempt from taxation by Section 170 of the Constitution.

1 The property valuation administrator shall place on the tax rolls all property that is
2 not exempt. Any property valuation administrator who fails to comply with this
3 subsection shall be subject to the penalties prescribed in KRS 132.990(2).

4 ➔Section 2. KRS 132.480 is amended to read as follows:

5 (1) Each county clerk shall, on or before the fifteenth day of each month, provide to the
6 property valuation administrator a copy of all deeds and other conveyances
7 transferring real property made during the preceding month. For this service the
8 clerk shall be allowed reasonable compensation by the fiscal court.

9 (2) ~~[(a)]~~ The property valuation administrator shall review the deeds to ascertain the
10 ~~in-care-of~~ address to which the property tax bill shall be sent, as reflected in
11 the deed and as required by KRS 382.135(1), and shall update his or her
12 records to reflect the ~~in-care-of~~ address.

13 ~~[(b) Inclusion of the in-care-of address in the records of the property valuation~~
14 ~~administrator, if the in-care-of address is other than that of the owner of the~~
15 ~~property on January 1, shall in no way impact the legal responsibility of the~~
16 ~~owner of the property as of January 1 for the payment of the tax.]~~

17 (3) Information provided by the property valuation administrator to the county clerk for
18 preparation of the tax bills shall include all ~~in-care-of~~ addresses reflected in all
19 deeds reviewed by the property valuation administrator during that year prior to the
20 transfer of information to the county clerk.

21 ➔Section 3. KRS 133.220 is amended to read as follows:

22 (1) The department annually shall furnish to each county clerk tax bill forms designed
23 for adequate accounting control sufficient to cover the taxable property on the rolls.

24 (2) After receiving the forms, the county clerk shall prepare for the use of the sheriff or
25 collector a correct tax bill for each taxpayer in the county whose property has been
26 assessed and whose valuation is included in the certification provided in KRS
27 133.180. If the bills are bound, the cost of binding shall be paid out of the county

1 levy. Each tax bill shall show the rate of tax upon each one hundred dollars (\$100)
2 worth of property for state, county, and school purposes; the name of the taxpayer
3 and his or her mailing address; the number of acres of farm land and its value; the
4 number of lots and their value; the amount and value of notes and money; the value
5 of mixed personal property; the total amount of taxes due the state, county, school
6 district, and any other taxing district for which the sheriff collects taxes; and shall
7 include a statement that notifies the taxpayer that costs and fees increase
8 substantially if the taxes become delinquent. Provision shall be made for the sheriff
9 to have a stub, duplicate, or other proper evidence of receipt of payment of each tax
10 bill.

11 (3) Tax bills prepared in accordance with the certification of the department shall be
12 delivered to the sheriff or collector by the county clerk before September 15 of each
13 year. The clerk shall take a receipt showing the number of tax bills and the total
14 amount of tax due each taxing district as shown upon the tax bills. The receipt shall
15 be signed and acknowledged by the sheriff or collector before the county clerk, filed
16 with the county judge/executive, and recorded in the order book of the county
17 judge/executive in the manner required by law for recording the official bond of the
18 sheriff.

19 (4) Upon delivery to him or her of the tax bills, the sheriff or collector shall mail a
20 notice to each taxpayer, showing the total amount of taxes due the state, county,
21 school district, and any other taxing district for which the sheriff collects taxes, the
22 date on which the taxes are due, and any discount to which the taxpayer may be
23 entitled upon payment of the taxes prior to a designated date. The sheriff shall not
24 mail tax notices prior to September 15.

25 (5) All notices returned as undeliverable shall be submitted no later than the following
26 work day to the property valuation administrator. The property valuation
27 administrator shall correct inadequate or erroneous addresses if the information to

1 do so is available and, if property has been transferred, shall determine the new
2 owner and the current mailing address~~[, or the in care of address reflected in the~~
3 ~~deed as required by KRS 382.135]~~. The property valuation administrator shall
4 return the corrected notices to the sheriff or collector on a daily basis as corrections
5 are made, but no later than fifteen (15) days after receipt. Uncorrected notices shall
6 be submitted to the department by the property valuation administrator.

7 ➔Section 4. KRS 134.015 is amended to read as follows:

- 8 (1) All property taxes are due and payable on or before December 31 of the assessment
9 year except as otherwise provided by law. Payment shall be made to the sheriff as
10 provided in KRS 134.119 unless otherwise provided by law.
- 11 (2) (a) Any taxpayer who pays the property taxes in full by November 1 of the
12 assessment year shall receive a two percent (2%) discount on the amount
13 otherwise due.
- 14 (b) Taxes paid in full between November 2 and December 31 of the assessment
15 year shall be paid at the amount reflected on the tax bill without discount or
16 penalty.
- 17 (c) Taxes paid in full between January 1 and January 31 of the year following the
18 assessment year shall be subject to a penalty of five percent (5%) of the taxes
19 due and unpaid.
- 20 (d) Taxes paid after January 31 of the year following the assessment year shall be
21 subject to a penalty of ten percent (10%) of the taxes due and unpaid.
- 22 (3) If the regular collection schedule established by subsections (1) and (2) of this
23 section is delayed, the department may establish an alternative collection schedule.
24 Taxes shall be due two (2) full months from the date the tax bills are mailed. The
25 alternative collection schedule shall allow a two percent (2%) discount for all tax
26 bills paid in full within one (1) full month of the date the tax bills were mailed.
27 Upon expiration of the discount period, the face amount reflected on the tax bill

1 without discount or penalty shall be due for the next full month. Payments made
2 within one (1) month following the face amount period shall be subject to a penalty
3 of five percent (5%) of the taxes due and unpaid. Payments made after the five
4 percent (5%) penalty period shall be subject to a penalty of ten percent (10%) of the
5 taxes due and unpaid.

6 (4) (a) All taxes due under this section and all fees, penalties, and interest thereon are
7 a personal debt of the taxpayer on the assessment date, from the time the tax
8 becomes due until paid, except as provided by paragraph (b) of this
9 subsection.

10 (b) When the title of real property is transferred during the calendar year, all
11 taxes due and all fees, penalties, and interest thereon are a personal debt of
12 the taxpayer on December 31st, from the time the tax becomes due until
13 paid.

14 (5) The lien that attaches to property on which taxes have become delinquent under
15 KRS 134.420 shall continue as provided in KRS 134.420, from the time the taxes
16 become delinquent until the taxes are paid or the eleven (11) year period established
17 by KRS 134.420 expires, regardless of who owns the property.

18 (6) A tax bill issued against omitted property, or an increase in valuation over that
19 claimed by the taxpayer, as finally determined upon appeal as provided for in KRS
20 133.120, shall be due the day the bill is prepared and shall be considered delinquent
21 on that date. If the tax bill is not paid within one (1) full month of the due date, an
22 additional penalty of ten percent (10%) of the tax, fees, penalties, and interest due
23 shall be added to the tax bill. The laws relating to delinquent taxes on the same class
24 of property or taxpayers involved shall apply to delinquent omitted tax bills unless
25 otherwise provided by law.

26 ➔Section 5. KRS 134.504 is amended to read as follows:

27 (1) The department shall be responsible for the collection of certificates of delinquency

1 and personal property certificates of delinquency. The provisions of this section
 2 relating to certificates of delinquency shall also apply to personal property
 3 certificates of delinquency unless otherwise specifically noted. The department shall
 4 offer the collection duties related to certificates of delinquency and personal
 5 property certificates of delinquency to the county attorney in each county, unless the
 6 department determines that a county attorney has previously failed to perform
 7 collection duties in a reasonable and acceptable manner.

8 (2) Any county attorney desiring to perform the collection duties shall enter into a
 9 contract with the department on an annual basis.

10 (3) The terms of the contract shall specify the duties to be undertaken by the county
 11 attorney, which shall include, at a minimum, the duties set forth in subsection (4) of
 12 this section. The terms of the contract shall also provide that, if the county attorney
 13 fails to perform the duties required by the contract during the contract period, the
 14 department may assume all collection responsibilities.

15 (4) The following duties shall be performed by the department or the county attorney,
 16 as the case may be, with regard to each certificate of delinquency:

17 (a) Within thirty (30) days after the establishment of a certificate of delinquency,
 18 the county attorney or the department shall mail a notice by regular mail to the
 19 owner of record on the assessment date **or, if the title of real property was**
 20 **transferred during the assessment year in which the certificate of**
 21 **delinquency applies, the owner of record as of December 31 of that**
 22 **assessment year. The notice shall:**

23 **1. Be mailed to the applicable owner at the address stated by:**

24 **a.** ~~[At the address on]~~The records of the property valuation
 25 administrator;~~;~~ or

26 **b. The deed**~~[to the in-care-of address if an in-care-of address is~~
 27 ~~provided]~~ as required by subsection (5) of this section.}

1 —~~The notice shall:~~

2 2.~~[1.]~~ Include the name, address, and telephone number of a contact person in
3 the county attorney's office or the department, as the case may be;

4 3.~~[2.]~~ Advise that:

- 5 a. The certificate of delinquency is a lien of record against the
6 property on which the taxes are due;
- 7 b. The amounts due are a personal obligation of the taxpayer as
8 provided by subsection (4) of Section 4 of this Act~~—on the~~
9 ~~assessment date~~; and
- 10 c. The certificate bears interest at the rate of twelve percent (12%)
11 and, if not paid, will be subject to collection by the county attorney
12 or the department as provided by law;

13 4.~~[3.]~~ Include the total amount due as of the date of the notice;

14 5.~~[4.]~~ Advise that anytime after ninety (90) days from the creation of the
15 certificate of delinquency, the certificate of delinquency may be paid by
16 a third-party purchaser and, that if so paid, the certificate of delinquency
17 will be subject to collection by the third-party purchaser as provided by
18 law. The notice shall also advise that a third-party purchaser may impose
19 substantial additional administrative costs and fees associated with
20 collection in addition to the amount due on the certificate of
21 delinquency, and that collection actions may include foreclosure. This
22 provision shall not be included in notices sent for personal property
23 certificates of delinquency; and

24 6.~~[5.]~~ Advise that the taxpayer may qualify for a payment plan with the county
25 attorney or the department, if the taxpayer meets the requirements
26 established by the county attorney or the department, and if terms are
27 agreed to prior to the date of the sale;

- 1 (b) The county attorney or the department shall file in the office of the county
2 clerk a list of the names and addresses to which the thirty (30) day notice was
3 mailed along with a certificate attesting that the notices were mailed in
4 accordance with the requirements of this section;
- 5 (c) 1. All thirty (30) day notices returned as undeliverable shall be submitted
6 by the county attorney or department to the property valuation
7 administrator, and a list of the returned notices shall be filed with the
8 county clerk, who shall record the list in the order book of the county.
- 9 2. The property valuation administrator shall attempt to correct inadequate
10 or erroneous addresses and, if property has been transferred, shall
11 determine the new owner~~[,]~~ **and** current mailing address~~[,] and in care of~~
12 ~~address, if any, as provided in KRS 382.135].~~
- 13 3. The property valuation administrator shall return the notices with the
14 corrected information to the county attorney or the department within
15 twenty (20) days of receipt.
- 16 4. Upon receipt of the new information from the property valuation
17 administrator, the county attorney or the department shall resend the
18 notice required by paragraph (a) of this subsection using the updated
19 information;
- 20 (d) 1. At least twenty (20) days after the mailing of the thirty (30) day notice
21 required by paragraph (a) of this subsection, but within sixty (60) days
22 of the establishment of a certificate of delinquency, the county attorney
23 or department shall send a second notice, by regular mail, to owners of
24 record whose tax bills remain delinquent~~[,] or to the in care of addresses~~
25 ~~or corrected address],~~ if information regarding a new property owner has
26 been received by the county attorney or the department under the
27 provisions of paragraph (c) of this subsection. The notice shall include,

- 1 at a minimum, the following information:
- 2 a. The name, address, and telephone number of a contact person in
- 3 the county attorney's office or the department, as the case may be;
- 4 b. A statement that a sale of tax claims will be held by the county
- 5 clerk on the date established by the department for the sale. The
- 6 text of the statement shall include the actual sale date, as well as a
- 7 statement noting that the certificate of delinquency may be paid by
- 8 a third-party purchaser at the sale, and if the certificate of
- 9 delinquency is paid by a third-party purchaser, it will be subject to
- 10 collection by the third-party purchaser as provided by law, that
- 11 significant additional collection fees will be imposed by the third-
- 12 party purchaser, and that collection actions may include
- 13 foreclosure. This statement shall not be included in notices sent to
- 14 owners of property subject to a personal property certificate of
- 15 delinquency; and
- 16 c. A statement that the taxpayer may qualify for a payment plan with
- 17 the county attorney or the department, if the taxpayer meets the
- 18 requirements established by the county attorney or the department
- 19 and if terms are agreed to prior to the date of the sale.
- 20 2. The county attorney or the department shall file in the office of the
- 21 county clerk a list of the names and addresses to which the sixty (60) day
- 22 notice was mailed, along with a certificate attesting that the notices were
- 23 mailed in accordance with the requirements of this section.
- 24 3. If the notice required by paragraph (c) of this subsection is returned as
- 25 undeliverable, and the property valuation administrator is not able to
- 26 provide a corrected or updated address, the county attorney or the
- 27 department shall address the sixty (60) day notice to "Occupant" and

1 shall mail the notice to the address of the property to which the
2 certificate of delinquency applies;

3 (e) The county attorney or the department shall deliver to the property valuation
4 administrator, at the same time the notice required by paragraph (d) of this
5 subsection is sent, a list of the owners whose tax bills remain delinquent. The
6 property valuation administrator shall review this list in accordance with KRS
7 132.220 to establish that the properties on the list can be identified and
8 physically located; and

9 (f) Anytime after the expiration of the one (1) year tolling period established by
10 KRS 134.546, the county attorney or department may institute an action to
11 collect the amount due on a certificate of delinquency owned by the taxing
12 jurisdictions and in the possession of the county clerk. At least forty-five (45)
13 days before instituting a legal action, the county attorney or department shall
14 send, by regular mail, a notice of intent to initiate legal action to enforce the
15 lien. The notice shall be sent to the owner of record of the property ~~or to the~~
16 ~~in-care-of address or corrected address if either has been provided pursuant to~~
17 ~~this section~~.

18 (5) If property subject to a certificate of delinquency has been transferred in any year
19 after the assessment date, the property valuation administrator shall determine the
20 ~~in-care-of~~ address supplied in the deed pursuant to KRS 382.135 and shall provide
21 that information to the county attorney or the department.

22 (6) (a) Failure of the county attorney or the department to mail the notices required in
23 subsection (4) of this section shall not affect the validity of the claim of the
24 state, county, school district, and taxing district. However, the county attorney
25 or the department shall not receive any compensation, commission, or
26 payment related to any certificate of delinquency for which the notices
27 required by the provisions of subsection (4) of this section are not sent.

- 1 (b) For each notice mailed, one dollar (\$1) shall be added to the amount of the
2 certificate of delinquency, to offset the cost of mailing, and, upon collection,
3 the county attorney or the department shall be paid such amounts as
4 reimbursement for mailing costs.
- 5 (7) (a) As compensation for the collection duties performed pursuant to a contract
6 with the department, a county attorney shall be paid twenty percent (20%) of
7 the amount due each taxing unit during the contract period, whether the
8 amount is paid voluntarily, through sale, or under court order, and whether the
9 amount is paid to the county clerk or the county attorney. The fee for the
10 county attorney shall be added to the amount of the certificate of delinquency
11 and shall be paid by the person paying the certificate of delinquency.
- 12 (b) If payment in full is voluntarily made by the taxpayer to the county attorney or
13 county clerk within five (5) days of the filing of the tax claim with the county
14 clerk, the county attorney fee shall be waived.
- 15 (c) If a county attorney files a court action or files a cross-claim, the county
16 attorney shall be paid an additional fee of thirteen percent (13%) of the
17 amount of the certificate of delinquency and shall be reimbursed for costs
18 incident to the court action. The additional fee and costs incident to the
19 litigation shall be added to the certificate of delinquency and shall be paid by
20 the person paying the certificate of delinquency.
- 21 (d) If more than one (1) county attorney renders necessary services to collect on a
22 certificate of delinquency, the county attorney serving the last notice or
23 rendering the last substantial service preceding collection shall be entitled to
24 the fee.
- 25 (8) (a) The county attorney shall establish a system to accept installment payments
26 from delinquent taxpayers. The county attorney may, during the contract
27 period, enter into an agreement with a delinquent taxpayer to accept

1 installment payments on the certificates of delinquency. The agreement shall
2 not waive the county attorney's right to initiate court action or other authorized
3 collection activities if the taxpayer does not make payments in accordance
4 with the agreement.

5 (b) The county attorney may, upon written request of the taxpayer for good cause
6 and with agreement of the affected taxing jurisdiction or fee recipient, waive
7 or reduce fees and penalties that are part of a certificate of delinquency during
8 settlement or negotiation with a taxpayer in accordance with guidance
9 provided by the department.

10 (9) Any action by the county attorney authorized by this chapter shall be filed on
11 relation of the commissioner. A copy of any judgment obtained by the county
12 attorney shall be sent to the department.

13 (10) (a) The county attorney shall notify the county clerk and the department of the
14 filing of a suit at the time the suit is filed and of payment agreements at the
15 time such agreements are entered into. The county clerk shall note on the
16 certificate of delinquency the filing of the lawsuit or the existence of the
17 payment agreement, and these certificates of delinquency shall not be
18 available for purchase or payment by a third-party purchaser.

19 (b) The county attorney shall provide to the county clerk at least ten (10) days but
20 not more than twenty (20) days prior to the annual sale date for the county
21 established pursuant to KRS 134.128, a protected list of current year
22 certificates of delinquency that are:

- 23 1. Under a payment plan with the county attorney on which payments are
24 current;
- 25 2. Involved in litigation initiated by the county attorney or in which the
26 county attorney responds or files an answer;
- 27 3. Involved in bankruptcy litigation in which the county attorney has filed a

1 claim; or

2 4. Included on a list of protected properties submitted to the county
3 attorney by a vacant property review commission or an alternative
4 government entity as provided in KRS 99.727.

5 The list shall include sufficient detail for the county clerk to accurately
6 identify the property.

7 (c) The county attorney shall notify the county clerk of the failure of any payment
8 agreement and, upon notification to the clerk, the certificate of delinquency
9 shall be available for purchase.

10 (11) The department may make its delinquent tax collection databases and other
11 technical resources, including but not limited to tax refund offsetting, available to
12 the county attorney upon request from the county attorney. The county attorney
13 seeking assistance shall enter into any agreements required by the department to
14 protect taxpayer confidentiality, to ensure database integrity, or to address the
15 concerns of the department.

16 (12) (a) If a county attorney chooses not to contract for collection duties, or if a county
17 attorney fails to perform the duties required by the contract, the department
18 shall assume responsibility for all uncollected certificates of delinquency and
19 personal property certificates of delinquency, including, at the option of the
20 department, those with pending court action or for which the county attorney
21 has entered into an installment payment agreement.

22 (b) If the department assumes or retains responsibility for the collection of
23 certificates of delinquency and personal property certificates of delinquency,
24 the twenty percent (20%) fee that would have been paid to the county attorney
25 under subsection (7) of this section, and any other fees or costs established by
26 this section for the county attorney shall be paid to the department for deposit
27 in the delinquent tax fund provided for under KRS 134.552.

1 ➔Section 6. KRS 134.548 is amended to read as follows:

2 Whenever the Commonwealth prosecutes an action in a Circuit Court pursuant to KRS
3 134.546, to enforce a certificate of delinquency or a personal property certificate of
4 delinquency, the court shall have authority to assess property which has been omitted for
5 any reason, whenever necessary to establish the total personal liability of any defendant in
6 such action or to establish the total amount of any lien or liens against the property.
7 Provided, however, that the twenty percent (20%) penalty provided in KRS 132.340 and
8 135.060 shall not apply to the amount of taxes, penalties, and interest due for any
9 assessment made pursuant to this section for any omission which was caused through no
10 fault of the person owning the property~~[on the assessment date]~~.

11 ➔Section 7. KRS 382.135 is amended to read as follows:

12 (1) In addition to any other requirement imposed by law, a deed to real property shall
13 contain the following:

14 (a) The full name of the grantor and grantee;

15 (b) The mailing addresses of the grantor and grantee;

16 (c) A statement of the full consideration;

17 (d) A statement indicating the~~[in care of]~~ address to which the property tax bill
18 for the year in which the property is transferred shall~~[may]~~ be sent; and

19 (e) 1. In the case of a transfer other than by gift, or with nominal or no
20 consideration a sworn, notarized certificate signed by the grantor or his
21 or her agent and the grantee or his or her agent, or the parent or guardian
22 of a person under eighteen (18) years old, that the consideration reflected
23 in the deed is the full consideration paid for the property; or

24 2. In the case of a transfer either by gift or with nominal or no
25 consideration, a sworn, notarized certificate signed by the grantor or his
26 or her agent and the grantee or his or her agent, or the parent or guardian
27 of a person under eighteen (18) years old, stating that the transfer is by

- 1 gift and setting forth the estimated fair cash value of the property.
- 2 (2) The deed filing requirements listed in subsection (1)(c), (d), and (e) of this section
3 shall not apply to:
- 4 (a) Deeds which only convey utility easements;
- 5 (b) Deeds which transfer property through a court action pursuant to a divorce
6 proceeding;
- 7 (c) Deeds which convey rights-of-way that involve governmental agencies;
- 8 (d) Deeds which convey cemetery lots;
- 9 (e) Deeds which correct errors in previous deeds conveying the same property
10 from the same grantor to the same grantee; or
- 11 (f) Deeds which convey real property to a local airport board.
- 12 (3) In the case of an exchange of properties, the fair cash value of the property being
13 exchanged shall be stated in the body of the deed.
- 14 (4) In the event of a transfer of property by will or under the laws of intestate
15 succession, the personal representative of the estate, prior to closing out the estate,
16 shall file an affidavit with the county clerk of each county in which any of the
17 property is located, which shall contain the following:
- 18 (a) The names and addresses of the persons receiving each property passing by
19 will or intestate succession; and
- 20 (b) The full or fair market value of each property as estimated or established for
21 any purpose in the handling of the estate, or a statement that no such values
22 were estimated or established.
- 23 (5) No county clerk or deputy clerk shall lodge for record, and no county clerk or
24 deputy shall receive and permit to be lodged for record, any deed that does not
25 comply with the provisions of this section.
- 26 (6) For purposes of subsection (1)(a) of this section, the full name of the grantor and
27 grantee shall be determined as follows:

- 1 (a) As provided in KRS 355.9-503(1); or
- 2 (b) For a business entity, it shall be synonymous with its real name determined as
- 3 provided in KRS 365.015(1)(b) and (c); or
- 4 (c) For an individual, his or her surname and his or her first personal name or
- 5 initial, middle personal name or names, or initial or initials, or any
- 6 combination thereof that includes the individual's surname.
- 7 (7) The receipt for record and recording of any instrument by the county clerk not in
- 8 compliance with this section shall not prevent the record of filing of the instrument
- 9 from becoming notice as otherwise provided by law, nor impair the admissibility of
- 10 the record as evidence.
- 11 ➔Section 8. This Act shall apply to property assessed on or after January 1, 2021.