

1 AN ACT relating to the levy of an ad valorem tax rate.

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

3 ➔SECTION 1. KRS 132.017 IS REPEALED AND REENACTED TO READ  
4 AS FOLLOWS:

5 *(1) The levy of an ad valorem tax rate which will produce revenue from real*  
6 *property, exclusive of revenue from new property as defined in KRS 132.010,*  
7 *more than four percent (4%) over the amount of revenue produced by the*  
8 *compensating tax rate as defined in KRS 132.010 shall be subject to recall by*  
9 *placing a question on a ballot before the voters of the district.*

10 *(2) (a) A taxing district shall choose to cause the question to be submitted to the*  
11 *voters of the district in either a called common election or at the next*  
12 *regular election. The question shall be framed to ask whether the voter is*  
13 *for the levy of the property tax rate.*

14 *(b) If the question is submitted to the voters in a called common election:*

15 *1. The taxing district shall inform the voters of the district about the*  
16 *details of the election through posting the information on the first*  
17 *page of the taxing district's website for a period of two (2) weeks; and*

18 *a. Publishing the information through the largest newspaper in the*  
19 *county, whether viewable to the public through an online*  
20 *subscription or by paper distribution, for a period of two (2)*  
21 *weeks; or*

22 *b. Sending a single notice containing the information by first-class*  
23 *mail to each person owning real property in the taxing district,*  
24 *addressed to the property owner at his or her residence or*  
25 *principal place of business as shown on the current year*  
26 *property tax roll;*

27 *2. The cost of the election shall be borne by the taxing district;*

- 1           3. The election shall comply with the provisions of KRS 118.025; and
- 2           4. a. For taxing districts subject to KRS 65A.110, the election shall be
- 3                   held not less than twenty-one (21) days nor more than forty-five
- 4                   (45) days following:
- 5                   i. The approval of the tax rate by the establishing entity; or
- 6                   ii The expiration of the thirty (30) day failure to act deadline;
- 7                           whichever occurs first; and
- 8           b. For all other taxing districts, the election shall be held not less
- 9                   than twenty-one (21) days nor more than forty-five (45) days
- 10                   following the adoption of an ordinance, order, resolution, or
- 11                   motion to levy the tax rate.
- 12           (c) If the question is submitted to the voters in conjunction with the next
- 13                   regular election, the question shall be submitted to the county clerk no later
- 14                   than the second Tuesday in August preceding the election. The county clerk
- 15                   shall cause to be published in accordance with KRS Chapter 424, at the
- 16                   same time as other voter information, the full text of the proposal. The
- 17                   county clerk shall cause to be posted in each polling place one (1) copy of
- 18                   the full text of the proposal.
- 19           (3) (a) If a majority of the votes cast upon the question oppose its passage:
- 20                   1. The tax rate is officially recalled;
- 21                   2. The ordinance, order, resolution, or motion to levy the tax rate shall
- 22                           be amended;
- 23                   3. Any overpayment of tax as a result of the recall shall be refunded to
- 24                           the taxpayer, at the cost of the taxing district, within sixty (60) days of
- 25                           the election; and
- 26                   4. The compensating tax rate as defined in KRS 132.010 shall be levied
- 27                           without further approval.

1 (b) If a majority of the votes cast upon the question favor its passage, the  
 2 ordinance, order, resolution, or motion to levy the tax rate shall remain  
 3 effective.

4 (4) The taxing district may cause the cancellation of the election by reconsidering  
 5 and amending the ordinance, order, resolution, or motion so that it will levy the  
 6 compensating tax rate as defined in KRS 132.010.

7 (5) Local, state, and federal tax dollars shall not be used to advocate, in partial terms,  
 8 for or against any public question that appears on the ballot in this section. For  
 9 purposes of this section, "local" means and includes any city, county, urban-  
 10 county government, consolidated local government, unified local government,  
 11 charter county, or special district.

12 (6) Notwithstanding any statutory provision to the contrary, if a taxing district has  
 13 not established a final tax rate as of September 15, due to the provisions of this  
 14 section or Section 2, 5, 6, or 7 of this Act, tax bills shall be prepared for the taxing  
 15 district as required in KRS 133.220 based on the compensating tax rate.

16 ➔Section 2. KRS 68.245 is amended to read as follows:

17 (1) The property valuation administrator shall submit an official estimate of real and  
 18 personal property and new property assessment as defined in KRS 132.010, to the  
 19 county judge/executive by April 1 of each year.

20 (2) No county fiscal court shall levy a tax rate, excluding any special tax rate which  
 21 may be levied at the request of a county community improvement district pursuant  
 22 to KRS 107.350 and 107.360, following a favorable vote upon ~~the~~<sup>such</sup> tax by the  
 23 voters of that county, which exceeds the compensating tax rate as defined in KRS  
 24 132.010, until the taxing district has complied with the provisions of subsection (5)  
 25 of this section.

26 (3) The state local finance officer shall certify to each county judge/executive, by June  
 27 30 of each year, the following:

- 1 (a) The compensating tax rate, as defined in KRS 132.010, and the amount of  
2 revenue expected to be produced by it;
- 3 (b) The tax rate which will produce no more revenue from real property,  
4 exclusive of revenue from new property, than four percent (4%) over the  
5 amount of revenue produced by the compensating tax rate as defined in KRS  
6 132.010 and the amount of revenue expected to be produced by it.
- 7 (4) Real and personal property assessment and new property determined in accordance  
8 with KRS 132.010 shall be certified to the state local finance officer by the  
9 Department of Revenue upon completion of action on property assessment data.
- 10 (5) (a) A county fiscal court, proposing to levy a tax rate, excluding any special tax  
11 rate which may be levied at the request of a county community improvement  
12 district pursuant to KRS 107.350 and 107.360, following a favorable vote  
13 upon the tax by the voters of that county, which exceeds the compensating tax  
14 rate as defined in KRS 132.010, shall hold a public hearing to hear comments  
15 from the public regarding the proposed tax rate. The hearing shall be held in  
16 the principal office of the taxing district, or, in the event the taxing district has  
17 no office, or the office is not suitable for a hearing, the hearing shall be held in  
18 a suitable facility as near as possible to the geographic center of the district.
- 19 (b) County fiscal courts of counties containing a city of the first class proposing  
20 to levy a tax rate, excluding any special tax rate which may be levied at the  
21 request of a county community improvement district pursuant to KRS  
22 107.350 and 107.360, following a favorable vote upon the tax by the voters of  
23 that county, which exceeds the compensating tax rate as defined in KRS  
24 132.010, shall hold three (3) public hearings to hear comments from the  
25 public regarding the proposed tax rate. The hearings shall be held in three (3)  
26 separate locations; each location shall be determined by dividing the county  
27 into three (3) approximately equal geographic areas, and identifying a suitable

1 facility as near as possible to the geographic center of each area.

2 (c) The county fiscal court shall advertise the hearing by causing to be published  
3 at least twice in two (2) consecutive weeks, in the newspaper of largest  
4 circulation in the county, a display type advertisement of not less than twelve  
5 (12) column inches, the following:

- 6 1. The tax rate levied in the preceding year, and the revenue produced by  
7 that rate;
- 8 2. The tax rate proposed for the current year and the revenue expected to  
9 be produced by that rate;
- 10 3. The compensating tax rate and the revenue expected from it;
- 11 4. The revenue expected from new property and personal property;
- 12 5. The general areas to which revenue in excess of the revenue produced in  
13 the preceding year is to be allocated;
- 14 6. A time and place for the public hearings which shall be held not less  
15 than seven (7) days nor more than ten (10) days, after the day that the  
16 second advertisement is published;
- 17 7. The purpose of the hearing; and
- 18 8. A statement to the effect that the General Assembly has required  
19 publication of the advertisement and the information contained therein.

20 (d) In lieu of the two (2) published notices, a single notice containing the required  
21 information may be sent by first-class mail to each person owning real  
22 property, addressed to the property owner at his or her residence or principal  
23 place of business as shown on the current year property tax roll.

24 (e) The hearing shall be open to the public. All persons desiring to be heard shall  
25 be given an opportunity to present oral testimony. The county fiscal court may  
26 set reasonable time limits for testimony.

27 (6) (a) ~~That portion of~~ A tax rate, excluding any special tax rate which may be

1           levied at the request of a county community improvement district pursuant to  
 2           KRS 107.350 and 107.360, following a favorable vote upon a tax by the  
 3           voters of that county, levied by an action of a county fiscal court which will  
 4           produce revenue from real property, exclusive of revenue from new property,  
 5           more than four percent (4%) over the amount of revenue produced by the  
 6           compensating tax rate as defined in KRS 132.010 shall be subject to a recall  
 7           vote or reconsideration by the taxing district, as provided for in KRS 132.017,  
 8           and shall be advertised as provided for in paragraph (b) of this subsection.

9           (b) The county fiscal court shall, within seven (7) days following adoption of an  
 10          ordinance to levy a tax rate, excluding any special tax rate which may be  
 11          levied at the request of a county community improvement district pursuant to  
 12          KRS 107.350 and 107.360, following a favorable vote upon a tax by the  
 13          voters of that county, which will produce revenue from real property,  
 14          exclusive of revenue from new property as defined in KRS 132.010, more  
 15          than four percent (4%) over the amount of revenue produced by the  
 16          compensating tax rate as defined in KRS 132.010, cause to be published, in  
 17          the newspaper of largest circulation in the county, a display type  
 18          advertisement of not less than twelve (12) column inches the following:

- 19          1. The fact that the county fiscal court has adopted a rate; and
- 20          2. The fact that the~~[ part of the] rate[ which will produce revenue from real~~  
 21          ~~property, exclusive of new property as defined in KRS 132.010, in~~  
 22          ~~excess of four percent (4%) over the amount of revenue produced by the~~  
 23          ~~compensating tax rate defined in KRS 132.010] is subject to recall[; and~~
- 24          3. ~~The name, address, and telephone number of the county clerk, with a~~  
 25          ~~notation to the effect that that official can provide the necessary~~  
 26          ~~information about the petition required to initiate recall of the tax rate].~~

27          ➔Section 3. KRS 75A.050 is amended to read as follows:

- 1 (1) (a) Upon the creation of a district, the trustees of a district are authorized to  
2 provide fire services, emergency medical services subject to KRS Chapter  
3 311A, or rescue services pursuant to KRS Chapter 39F, as provided in  
4 paragraph (c) of this subsection, and to levy a tax upon the property in the  
5 district.
- 6 (b) The property taxed shall be subject to county tax, and the tax levied by the  
7 board upon creation of the district shall be approved by the county fiscal  
8 court, consolidated local government, charter county government, or unified  
9 local government having jurisdiction over the district at the time of passage of  
10 the ordinance creating the district. The tax shall not exceed ten cents (\$0.10)  
11 per one hundred dollars (\$100) of valuation as assessed for county taxes, for  
12 the purpose of defraying the expenses for the provision of fire services or  
13 rescue services. The rate set in this subsection shall apply, notwithstanding the  
14 provisions of KRS 132.023.
- 15 (c) The district that establishes and operates an emergency ambulance service and  
16 is the primary service provider in the district may levy a tax upon the property  
17 in the district. The tax to be levied shall be proposed by the board, shall be  
18 approved by the county fiscal court, consolidated local government, charter  
19 county government, or unified local government having jurisdiction over the  
20 district and the tax shall not exceed twenty cents (\$0.20) per one hundred  
21 dollars (\$100) of valuation as assessed for county taxes, for the purpose of  
22 defraying the expenses of the provision of fire services, emergency medical  
23 services, or rescue service, or to make contracts for fire protection for the  
24 districts as provided in KRS 75.050. The rate set in this subsection shall  
25 apply, notwithstanding KRS 132.023.
- 26 (d) 1. Any increase of the total tax levy beyond the rate initially approved by  
27 the board and authorized by the county fiscal court, consolidated local

1 government, charter county government, or unified local government  
2 shall be subject to KRS 132.023. Any increase in excess of the annual  
3 compensating rate for the consolidated emergency services district shall  
4 require the approval of the county fiscal court, consolidated local  
5 government, charter county government, or unified local government  
6 having jurisdiction over the district. If at any time an election~~resulting~~  
7 ~~from a recall petition~~ pursuant to KRS 132.017 is required, the question  
8 shall be presented to all voters in every precinct for which any part of  
9 the precinct is served by the district~~subject to the recall petition~~.

10 2. If two (2) or more established consolidated emergency services merge to  
11 create a new consolidated emergency services district, as authorized in  
12 this chapter, the initial tax to be levied, as proposed by the board, shall  
13 be approved by the county fiscal court, consolidated local government,  
14 charter county government, or unified local government having  
15 jurisdiction over the district, and the initial tax levied shall not exceed  
16 the highest tax rate currently levied by one (1) of the merging districts.  
17 Any increase to the initial tax rate shall be subject to KRS 132.023. Any  
18 increase in excess of the annual compensating rate for the consolidated  
19 emergency services district shall require the approval of the county  
20 fiscal court, consolidated local government, charter county government,  
21 or unified local government having jurisdiction over the district. If at  
22 any time an election~~resulting from a recall petition~~ pursuant to KRS  
23 132.017 is required, the question shall be presented to all voters in every  
24 precinct for which any part of the district serves.

25 (2) The property valuation administrator of the county in which the district is created,  
26 with the cooperation of the board, shall note on the tax rolls the taxpayers and  
27 valuation of the property subject to an~~such~~ assessment. The county clerk shall



1 compute the tax on the regular state and county tax bills in ~~a~~<sup>such</sup> manner as may  
2 be directed by regulation of the Department of Revenue.

3 (3) These taxes shall be subject to the same delinquency date, discounts, penalties, and  
4 interest as are applied to the collection of ad valorem taxes and shall be collected by  
5 the sheriff of the county involved and accounted for to the treasurer of the district.  
6 The sheriff shall be entitled to a fee of the amount collected by him *or her*. The  
7 fiscal court shall, in the ordinance set forth in subsection (2) of this section and in  
8 consultation with the sheriff and the consolidated emergency services district, set a  
9 collection fee for the sheriff in an amount not to exceed four and one-fourth percent  
10 (4.25%).

11 ➔Section 4. KRS 132.018 is amended to read as follows:

12 (1) If the tax rate applicable to real property levied by a county fiscal court, district  
13 board of education, or legislative body of a city, consolidated local government,  
14 urban-county government, or other taxing district is reduced as a result of  
15 reconsideration by the county fiscal court, district board of education, or legislative  
16 body of a city, consolidated local government, urban-county government, or other  
17 taxing district under the provisions of KRS 132.017~~(4)(2)(i)~~, the tax rate  
18 applicable to personal property levied under the provisions of KRS 68.248(1),  
19 132.024(1), 132.029(1), and 160.473(1) shall be reduced by the respective county  
20 fiscal court, district board of education, or legislative body of a city, consolidated  
21 local government, urban-county government, or other taxing district to an amount  
22 which will produce the same percentage increase in revenue from personal property  
23 as the percentage increase in revenue from real property resulting from the reduced  
24 tax rate applicable to real property.

25 (2) If the tax rate applicable to real property levied by a county fiscal court, district  
26 board of education, or legislative body of a city, consolidated local government,  
27 urban-county government, or other taxing district is reduced, under the provisions

1 of KRS 132.017(3), as a result of a majority of votes cast in an election being  
2 opposed to ~~the~~<sup>[such a]</sup> rate, the tax rate applicable to personal property levied by  
3 the respective county fiscal court, district board of education, or legislative body of  
4 a city, consolidated local government, urban-county government, or other taxing  
5 district shall be reduced, without further action by the levying body, to an amount  
6 which will produce the same percentage increase in revenue from personal property  
7 as the percentage increase in revenue from real property resulting from the reduced  
8 tax rate applicable to real property.

9 ➔Section 5. KRS 132.023 is amended to read as follows:

10 (1) No special purpose governmental entity shall levy a tax rate which exceeds the  
11 compensating tax rate until the taxing district has complied with the provisions of  
12 KRS 65A.110 and subsection (2) of this section.

13 (2) (a) A special purpose governmental entity proposing to levy a tax rate which  
14 exceeds the compensating tax rate shall submit the proposed rate as required  
15 by KRS 65A.110 and shall hold a public hearing to hear comments from the  
16 public regarding the proposed tax rate. The hearing shall be held in the same  
17 location where the governing body of the city or county where the largest  
18 number of citizens served by the special purpose governmental entity reside  
19 meets, and shall be held immediately before a regularly scheduled meeting of  
20 that governing body.

21 (b) The special purpose governmental entity shall advertise the hearing by  
22 causing to be published at least twice in two (2) consecutive weeks, in the  
23 newspaper of largest circulation in the county, a display type advertisement of  
24 not less than twelve (12) column inches, the following:

- 25 1. The tax rate levied in the preceding year, and the revenue produced by  
26 that rate;
- 27 2. The tax rate proposed for the current year and the revenue expected to

- 1                   be produced by that rate;
- 2                   3. The compensating tax rate and the revenue expected from it;
- 3                   4. The revenue expected from new property and personal property;
- 4                   5. The general areas to which revenue in excess of the revenue produced in
- 5                   the preceding year is to be allocated;
- 6                   6. A time and place for the public hearing which shall be held not less than
- 7                   seven (7) days, nor more than ten (10) days, after the day that the second
- 8                   advertisement is published;
- 9                   7. The purpose of the hearing; and
- 10                  8. A statement to the effect that the General Assembly has required
- 11                  publication of the advertisement and the information contained therein.
- 12                  (c) In lieu of the two (2) published notices, a single notice containing the required
- 13                  information may be sent by first-class mail to each person owning real
- 14                  property in the special purpose governmental entity, addressed to the property
- 15                  owner at his *or her* residence or principal place of business as shown on the
- 16                  current year property tax roll.
- 17                  (d) The hearing shall be open to the public. All persons desiring to be heard shall
- 18                  be given an opportunity to present oral testimony. The special purpose
- 19                  governmental entity may set reasonable time limits for testimony.
- 20                  (3) (a) ~~That portion of~~ A tax rate levied by an action of a special purpose
- 21                  governmental entity which will produce revenue from real property, exclusive
- 22                  of revenue from new property, more than four percent (4%) over the amount
- 23                  of revenue produced by the compensating tax rate shall be **subject to approval**
- 24                  **by the voters of the taxing district under Section 1 of this Act**~~subject to a~~
- 25                  ~~recall vote or reconsideration by the special purpose governmental entity, as~~
- 26                  ~~provided for in KRS 132.017,~~ and shall be advertised as provided in
- 27                  paragraph (b) of this subsection.

1 (b) The special purpose governmental entity shall, within seven (7) days  
 2 following adoption of an ordinance, order, resolution, or motion to levy a tax  
 3 rate which will produce revenue from real property, exclusive of revenue from  
 4 new property, more than four percent (4%) over the amount of revenue  
 5 produced by the compensating tax rate, cause to be published, in the  
 6 newspaper of largest circulation in the county, a display type advertisement of  
 7 not less than twelve (12) column inches the following:

- 8 1. The fact that the taxing district has adopted a rate; ***and***
- 9 2. The fact that the ~~part of the~~ rate ~~which will produce revenue from real~~  
 10 ~~property, exclusive of new property, in excess of four percent (4%) over~~  
 11 ~~the amount of revenue produced by the compensating tax rate] is subject~~  
 12 ~~to recall]; and~~
- 13 3. ~~The name, address, and telephone number of the county clerk of the~~  
 14 ~~county in which the special purpose governmental entity is located, with~~  
 15 ~~a notation to the effect that that official can provide the necessary~~  
 16 ~~information about the petition required to initiate recall of the tax rate].~~

17 ➔Section 6. KRS 132.027 is amended to read as follows:

- 18 (1) No city or urban-county government shall levy a tax rate which exceeds the  
 19 compensating tax rate ***as*** defined in KRS 132.010 until the city or urban-county  
 20 government has complied with the provisions of subsection (2) of this section.
- 21 (2) (a) Cities or urban-county governments proposing to levy a tax rate which  
 22 exceeds the compensating tax rate ***as*** defined in KRS 132.010 shall hold a  
 23 public hearing to hear comments from the public regarding the proposed tax  
 24 rate. The hearing shall be held in the principal office of the taxing district, or,  
 25 in the event the taxing district has no office, or the office is not suitable for a  
 26 hearing, the hearing shall be held in a suitable facility as near as possible to  
 27 the geographic center of the district.

- 1 (b) The city or urban-county government shall advertise the hearing by causing to  
2 be published at least twice in two (2) consecutive weeks, in the newspaper of  
3 largest circulation in the county, a display type advertisement of not less than  
4 twelve (12) column inches, the following:
- 5 1. The tax rate levied in the preceding year, and the revenue produced by  
6 that rate;
  - 7 2. The tax rate proposed for the current year and the revenue expected to  
8 be produced by that rate;
  - 9 3. The compensating tax rate and the revenue expected from it;
  - 10 4. The revenue expected from new property and personal property;
  - 11 5. The general areas to which revenue in excess of the revenue produced in  
12 the preceding year is to be allocated;
  - 13 6. A time and place for the public hearing which shall be held not less than  
14 seven (7) days nor more than ten (10) days after the day the second  
15 advertisement is published;
  - 16 7. The purpose of the hearing; and
  - 17 8. A statement to the effect that the General Assembly has required  
18 publication of the advertisement and the information contained therein.
- 19 (c) In lieu of the two (2) published notices, a single notice containing the required  
20 information may be sent by first-class mail to each person owning real  
21 property in the taxing district, addressed to the property owner at his or her  
22 residence or principal place of business as shown on the current year property  
23 tax roll.
- 24 (d) The hearing shall be open to the public. All persons desiring to be heard shall  
25 be given an opportunity to present oral testimony. The taxing district may set  
26 reasonable time limits for testimony.
- 27 (3) (a) That portion of a tax rate levied by an action of a city or urban-county

1 government which will produce revenue from real property, exclusive of  
 2 revenue from new property, more than four percent (4%) over the amount of  
 3 revenue produced by the compensating tax rate as defined in KRS 132.010  
 4 shall be subject to a recall vote or reconsideration by the taxing district, as  
 5 provided for in KRS 132.017, and shall be advertised as provided for in  
 6 paragraph (b) of this subsection.

7 (b) The city or urban-county government shall, within seven (7) days following  
 8 adoption of an ordinance to levy a tax rate which will produce revenue from  
 9 real property, exclusive of revenue from new property as defined in KRS  
 10 132.010, more than four percent (4%) over the amount of revenue produced  
 11 by the compensating tax rate as defined in KRS 132.010, cause to be  
 12 published, in the newspaper of largest circulation in the county, a display type  
 13 advertisement of not less than twelve (12) column inches the following:

- 14 1. The fact that the city or urban-county government has adopted a rate;  
 15 and
- 16 2. The fact that the~~[ part of the]~~ rate~~[ which will produce revenue from real~~  
 17 ~~property, exclusive of new property as defined in KRS 132.010, in~~  
 18 ~~excess of four percent (4%) over the amount of revenue produced by the~~  
 19 ~~compensating tax rate defined in KRS 132.010]~~ is subject to recall~~[, and~~  
 20 3.~~—The name, address, and telephone number of the county clerk of the~~  
 21 ~~county or urban county in which the taxing district is located, with a~~  
 22 ~~notation to the effect that that official can provide the necessary~~  
 23 ~~information about the petition required to initiate recall of the tax rate].~~

24 ➔Section 7. KRS 160.470 is amended to read as follows:

- 25 (1) (a) Notwithstanding any statutory provisions to the contrary, no district board of  
 26 education shall levy a general tax rate which will produce more revenue,  
 27 exclusive of revenue from net assessment growth as defined in KRS 132.010,

1 than would be produced by application of the general tax rate that could have  
2 been levied in the preceding year to the preceding year's assessment, except as  
3 provided in subsections (9) and (10) of this section and KRS 157.440.

4 (b) If an election is held as provided for in KRS 132.017 and the question should  
5 fail, ~~the~~<sup>such</sup> failure shall not reduce the "...general tax rate that could have  
6 been levied in the preceding year..." referred to in subsection (1)(a) of this  
7 section, for purposes of computing the general tax rate for succeeding years.

8 In the event of a merger of school districts, the limitations contained in this section  
9 shall be based upon the combined revenue of the merging districts, as computed  
10 under the provisions of this section.

11 (2) No district board of education shall levy a general tax rate within the limits imposed  
12 in subsection (1) of this section which respectively exceeds the compensating tax  
13 rate as defined in KRS 132.010, except as provided in subsections (9) and (10) of  
14 this section, KRS 157.440, and KRS 157.621, until the district board of education  
15 has complied with the provisions of subsection (7) of this section.

16 (3) Upon receipt of property assessments from the Department of Revenue, the  
17 commissioner of education shall certify the following to each district board of  
18 education:

19 (a) The general tax rate that a district board of education could levy under the  
20 provisions of subsection (1) of this section, and the amount of revenue  
21 expected to be produced;

22 (b) The compensating tax rate as defined in KRS 132.010 for a district's general  
23 tax rate the amount of revenue expected to be produced;

24 (c) The general tax rate which will produce, respectively, no more revenue from  
25 real property, exclusive of revenue from new property, than four percent (4%)  
26 over the amount of revenue produced by the compensating tax rate as defined  
27 in KRS 132.010, and the amount of revenue expected to be produced.

- 1 (4) Upon completion of action on property assessment data, the Department of  
2 Revenue shall submit certified property assessment data as required in KRS  
3 133.125 to the chief state school officer.
- 4 (5) Within thirty (30) days after the district board of education has received its  
5 assessment data, the rates levied shall be forwarded to the Kentucky Board of  
6 Education for its approval or disapproval. The failure of the district board of  
7 education to furnish the rates within the time prescribed shall not invalidate any  
8 levy made thereafter.
- 9 (6) (a) Each district board of education shall, on or before January 31 of each  
10 calendar year, formally and publicly examine detailed line item estimated  
11 revenues and proposed expenditures for the subsequent fiscal year. On or  
12 before May 30 of each calendar year, each district board of education shall  
13 adopt a tentative working budget which shall include a minimum reserve of  
14 two percent (2%) of the total budget.
- 15 (b) Each district board of education shall submit to the Kentucky Board of  
16 Education no later than September 30, a close estimate or working budget  
17 which shall conform to the administrative regulations prescribed by the  
18 Kentucky Board of Education.
- 19 (7) (a) Except as provided in subsections (9) and (10) of this section and KRS  
20 157.440, a district board of education proposing to levy a general tax rate  
21 within the limits of subsection (1) of this section which exceed the  
22 compensating tax rate as defined in KRS 132.010 shall hold a public hearing  
23 to hear comments from the public regarding the proposed tax rate. The  
24 hearing shall be held in the principal office of the taxing district or, in the  
25 event the taxing district has no office, or the office is not suitable for ~~the~~ <sup>such</sup>  
26 ~~a~~ hearing, the hearing shall be held in a suitable facility as near as possible to  
27 the geographic center of the district.



- 1 (b) The district board of education shall advertise the hearing by causing the  
2 following to be published at least twice for two (2) consecutive weeks, in the  
3 newspaper of largest circulation in the county, a display type advertisement of  
4 not less than twelve (12) column inches:
- 5 1. The general tax rate levied in the preceding year, and the revenue  
6 produced by that rate;
  - 7 2. The general tax rate for the current year, and the revenue expected to be  
8 produced by that rate;
  - 9 3. The compensating general tax rate, and the revenue expected from it;
  - 10 4. The revenue expected from new property and personal property;
  - 11 5. The general areas to which revenue in excess of the revenue produced in  
12 the preceding year is to be allocated;
  - 13 6. A time and place for the public hearing which shall be held not less than  
14 seven (7) days nor more than ten (10) days after the day that the second  
15 advertisement is published;
  - 16 7. The purpose of the hearing; and
  - 17 8. A statement to the effect that the General Assembly has required  
18 publication of the advertisement and the information contained herein.
- 19 (c) In lieu of the two (2) published notices, a single notice containing the required  
20 information may be sent by first-class mail to each person owning real  
21 property, addressed to the property owner at his or her residence or principal  
22 place of business as shown on the current year property tax roll.
- 23 (d) The hearing shall be open to the public. All persons desiring to be heard shall  
24 be given an opportunity to present oral testimony. The district board of  
25 education may set reasonable time limits for testimony.
- 26 (8) (a) ~~[That portion of ]~~A general tax rate, except as provided in subsections (9) and  
27 (10) of this section, KRS 157.440, and KRS 157.621, levied by an action of a

1 district board of education which will produce, respectively, revenue from real  
 2 property, exclusive of revenue from new property, more than four percent  
 3 (4%) over the amount of revenue produced by the compensating tax rate as  
 4 defined in KRS 132.010, shall be subject to a recall vote or reconsideration by  
 5 the district board of education as provided for in KRS 132.017, and shall be  
 6 advertised as provided for in paragraph (b) of this subsection.

7 (b) The district board of education shall, within seven (7) days following adoption  
 8 of an ordinance, order, resolution, or motion to levy a general tax rate, except  
 9 as provided in subsections (9) and (10) of this section and KRS 157.440,  
 10 which will produce revenue from real property, exclusive of revenue from  
 11 new property as defined in KRS 132.010, more than four percent (4%) over  
 12 the amount of revenue produced by the compensating tax rate as defined in  
 13 KRS 132.010, cause the following to be published, in the newspaper of largest  
 14 circulation in the county, a display type advertisement of not less than twelve  
 15 (12) column inches:

- 16 1. The fact that the district board of education has adopted ~~the~~<sup>[such a]</sup> rate;  
 17 and
- 18 2. The fact that the ~~[part of the ]rate [which will produce revenue from real~~  
 19 ~~property, exclusive of new property as defined in KRS 132.010, in~~  
 20 ~~excess of four percent (4%) over the amount of revenue produced by the~~  
 21 ~~compensating tax rate defined in KRS 132.010] is subject to recall[; and~~
- 22 3. ~~The name, address, and telephone number of the county clerk of the~~  
 23 ~~county or urban county in which the school district is located, with a~~  
 24 ~~notation to the effect that that official can provide the necessary~~  
 25 ~~information about the petition required to initiate recall of the tax rate.]~~

26 (9) (a) Notwithstanding any statutory provisions to the contrary, effective for school  
 27 years beginning after June 30, 1990, the board of education of each school

1 district shall levy a minimum equivalent tax rate of thirty cents (\$0.30) for  
2 general school purposes. Equivalent tax rate is defined as the rate which  
3 results when the income collected during the prior year from all taxes levied  
4 by the district for school purposes is divided by the total assessed value of  
5 property plus the assessment for motor vehicles certified by the Department of  
6 Revenue. School districts collecting school taxes authorized by KRS 160.593  
7 to 160.597, 160.601 to 160.633, or 160.635 to 160.648 for less than twelve  
8 (12) months during a school year shall have included in income collected  
9 under this section the pro rata tax collection for twelve (12) months.

10 (b) Failure of a board to comply with paragraph (a) of this subsection may  
11 constitute a forfeiture of office by its members pursuant to KRS 415.050 and  
12 415.060.

13 (10) A district board of education may levy a general tax rate that will produce revenue  
14 from real property, exclusive of revenue from new property, that is four percent  
15 (4%) over the amount of the revenue produced by the compensating tax rate as  
16 defined in KRS 132.010.

17 ➔Section 8. This Act takes effect January 1, 2025.