

### **139.537 Exemption for coal-based near zero emission power plant.**

- (1) As used in this section, "coal-based near zero emission power plant" means a facility designed to achieve minimum emissions, built in Kentucky for demonstrating the feasibility of producing electricity and hydrogen from coal, whose site has been determined acceptable from an environmental impact perspective in a record of decision published by the United States Department of Energy after January 1, 2006, and that has received all applicable local planning and zoning approvals.
- (2) Notwithstanding all other provisions of this chapter, effective July 1, 2006, the taxes imposed by this chapter shall not apply to the sale, rental, storage, use, or other consumption of tangible personal property used to construct, repair, renovate, or upgrade a coal-based near zero emission power plant, including repair and replacement parts purchased for the plant.
- (3) The Cabinet for Economic Development, with input from the Energy and Environment Cabinet, shall establish standards for making applications for the exemptions provided in this section. Prior to the Cabinet for Economic Development granting approval, the Office of the Budget Director shall determine if the power plant results in a net positive economic impact to the Commonwealth and shall provide a certification in writing to the Cabinet for Economic Development. The Cabinet for Economic Development shall notify the department in writing that a power plant has qualified for the exemptions.
- (4) The Cabinet for Economic Development may promulgate administrative regulations necessary to administer the application and certification process of this section.
- (5) The department may promulgate administrative regulations necessary to administer the exemptions provided in this section.
- (6) The provisions of this section shall not apply to sales or purchases made after December 31, 2030.

**Effective:** June 25, 2009

**History:** Amended 2009 Ky. Acts ch. 16, sec. 13, effective June 25, 2009. -- Created 2006 (1st Extra. Sess.) Ky. Acts ch. 2, sec. 72, effective June 28, 2006.

**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."

**Legislative Research Commission Note** (7/15/2010). A reference to the "Environmental and Public Protection Cabinet" in this section has been changed in codification to the "Energy and Environment Cabinet" to reflect the reorganization of certain parts of the Executive Branch, as set forth in Executive Order 2009-535 and confirmed by the General Assembly in 2010 Ky. Acts ch. 24. This change was made by the Reviser of Statutes pursuant to 2010 Ky. Acts ch. 24, sec. 1938.