

### **131.150 Jeopardy assessments.**

- (1) When the Department of Revenue reasonably believes that any taxpayer has withdrawn from the state or concealed his assets or a material part thereof so as to hinder or evade the assessment or collection of taxes, or has desisted from any taxable activity in the state, or has become domiciled elsewhere, or has departed from this state with fraudulent intent to hinder or evade the assessment or collection of taxes, or has done any other act tending to render partly or wholly ineffective proceedings to assess or collect any such taxes, or contemplates doing any of these acts in the immediate future, or that any tax claim for any other reason is being endangered, such tax liability shall become due and payable immediately upon assessment or determination of the amount of taxes due, as authorized in this section.
- (2) Under any of the circumstances set out in subsection (1) of this section, the department may make a tentative assessment or determination of the taxes due, and may proceed immediately to bring garnishment, attachment or any other legal proceedings to collect the taxes so assessed or determined to be due. Notwithstanding the provisions of KRS 131.180(1), if the tax so assessed is due to the failure of the taxpayer to file a required tax return a minimum penalty of one hundred dollars (\$100) shall be assessed unless the taxpayer demonstrates that the failure to file was due to reasonable cause as defined in KRS 131.010(9). This penalty shall be applicable whether or not any tax is determined to be due on a subsequently filed return or if the subsequently filed return results in a refund. No bond shall be required of the department in such proceedings. The taxpayer may stay legal proceedings by filing a bond in an amount sufficient in the opinion of the department to cover the taxes, penalties, interest, and costs. If no legal proceedings have been instituted, the department may require a bond adequate to cover all taxes, penalties, and interest. On making bond, exception to the assessment or determination of tax liability may be filed in the same manner and time as provided in KRS 131.110. If no exceptions are filed to the tentative assessment or determination, it shall become final.
- (3) The department may require any such taxpayer to file with it forthwith the reports required by law or regulation, or any additional reports or other information necessary to assess the property or determine the amount of tax due.
- (4) If the department fails to exercise the authority conferred by this section, such taxpayer shall report and pay all taxes due as otherwise provided by law.

**Effective:** June 20, 2005

**History:** Amended 2005 Ky. Acts ch. 85, sec. 116, effective June 20, 2005. -- Amended 2002 Ky. Acts ch. 366, sec. 13, effective January 1, 2003. -- Amended 1964 Ky. Acts ch. 141, sec. 39. -- Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. sec. 4114h-9.