

**131.560 Withholding of individual income tax refund to satisfy certain liabilities --
Priority of claims.**

Notwithstanding the provisions of KRS 44.030 or 131.190, the Department of Revenue shall withhold the Kentucky individual income tax refund otherwise due a taxpayer under KRS Chapter 141 who owes overdue child support or is indebted to any state agency, officer, board, commission, corporation, institution, cabinet, department or other state organization, or any county, city, urban-county government, consolidated local government, or charter county government duly organized in this state, which has complied with the requirements of KRS 131.565. After satisfaction of any undisputed delinquent tax liability due the Department of Revenue from such taxpayer, the tax refund balance so withheld shall, except as provided in KRS 131.565, be transmitted as soon as practicable to the state agency, or the county, city, urban-county government, consolidated local government, or charter county government duly organized in this state, having established a claim therefor. In the case of multiple state agency or any county, city, urban-county government, consolidated local government, or charter county government duly organized in this state claims against the same tax refund, the state agency having the larger pending claim shall have priority after satisfaction of any undisputed delinquent tax liabilities due the Department of Revenue, followed by other state agency claims. After all state agency claims have been satisfied, the claims of any county, city, urban-county government, consolidated local government, or charter county government duly organized in this state shall be satisfied with the larger pending claims satisfied first, and other claims satisfied in descending order.

Effective: April 25, 2006

History: Amended 2006 Ky. Acts ch. 252, Pt. XVI, sec. 3, effective April 25, 2006. -- Amended 2005 Ky. Acts ch. 85, sec. 147, effective June 20, 2005. -- Amended 1986 Ky. Acts ch. 487, sec. 10, effective July 15, 1986. -- Created 1984 Ky. Acts ch. 405, sec. 7, effective July 13, 1984.