

### **134.590 Refund of ad valorem taxes or taxes held unconstitutional.**

- (1) When the appropriate state government agency determines that a taxpayer has paid ad valorem taxes into the state treasury when no taxes were due or has paid under a statute held unconstitutional, the state government agency which administers the tax shall refund the money, or cause it to be refunded, to the person who paid the tax. The state government agency shall not authorize a refund to a person who has paid the tax due on any tract of land unless the taxpayer has paid the entire tax due the state on the land.
- (2) No state government agency shall authorize a refund unless each taxpayer individually applies for a refund within two (2) years from the date the taxpayer paid the tax. Each claim or application for a refund shall be in writing and state the specific grounds upon which it is based. Denials of refund claims or applications may be protested and appealed in accordance with KRS 131.110 and 131.340. No state government agency shall refund ad valorem taxes, except those held unconstitutional, unless the taxpayer has properly followed the administrative remedy procedures established through the protest provisions of KRS 131.110, the appeal provisions of KRS 133.120, the correction provisions of KRS 133.110 and 133.130, or other administrative remedy procedures.
- (3) If a taxpayer pays city, urban-county, county, school district, consolidated local government, or special district ad valorem taxes to a city, urban-county, county, school district, consolidated local government, or special district when no taxes were due or the amount paid exceeded the amount finally determined to be due, the taxes shall be refunded to the person who paid the tax.
- (4) Refunds of ad valorem taxes shall be authorized by the mayor or chief finance officer of any city, consolidated local government, or urban-county government for the city, consolidated local government, or urban-county government or for any special district for which the city, consolidated local government, or urban-county government is the levying authority, by the county judge/executive of any county for the county or special district for which the fiscal court is the levying authority, or by the chairman or finance officer of any district board of education.
- (5) Upon proper authorization, the sheriff or collector shall refund the taxes from current tax collections he or she holds. If there are no such funds, the district's finance officer shall make the refunds. The sheriff or collector shall receive credit on the next collection report to the district for any refunds the sheriff or collector makes.
- (6) No refund shall be made unless each taxpayer individually applies within two (2) years from the date payment was made. If the amount of taxes due is in litigation, the taxpayer shall individually apply for refund within two (2) years from the date the amount due is finally determined. Each claim or application for a refund shall be in writing and state the specific grounds upon which it is based. No refund for ad valorem taxes, except those held unconstitutional, shall be made unless the taxpayer has properly followed the administrative remedy procedures established through the protest provisions of KRS 131.110, the appeal provisions of KRS 133.120, the

correction provisions of KRS 133.110 and 133.130, or other administrative remedy procedures.

- (7) Notwithstanding other statutory provisions, for property subject to a tax rate that is set each year based on the certified assessment, a taxing district may recover any loss of ad valorem tax revenue it suffers due to the issuance of refunds by adjusting the following tax year's tax rate.

**Effective:** June 20, 2005

**History:** Amended 2005 Ky. Acts ch. 112, sec. 2, effective June 20, 2005. -- Amended 2002 Ky. Acts ch. 346, sec. 172, effective July 15, 2002. -- Amended 1996 Ky. Acts ch. 344, sec. 2, effective July 15, 1996. -- Amended 1992 Ky. Acts ch. 391, sec. 5, effective July 14, 1992. -- Amended 1990 Ky. Acts ch. 177, sec. 2, effective July 13, 1990. -- Amended 1980 Ky. Acts ch. 270, sec. 1, effective July 15, 1980. -- Amended 1966 Ky. Acts ch. 187, Part I, sec. 2. -- Amended 1954 Ky. Acts ch. 5, sec. 1. -- Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. secs. 162, 163, 4114h-7.