

**141.081 Optional standard deduction for individuals -- Exception.**

- (1) An individual, at his election, may deduct from his adjusted gross income a standard deduction of:
  - (a) Six hundred and fifty dollars (\$650) for taxable years beginning before December 31, 1996;
  - (b) Nine hundred dollars (\$900) for taxable years beginning after December 31, 1996, but before December 31, 1997;
  - (c) One thousand two hundred dollars (\$1,200) for taxable years beginning after December 31, 1997, but before December 31, 1998;
  - (d) One thousand five hundred dollars (\$1,500) for taxable years beginning after December 31, 1998, but before December 31, 1999;
  - (e) One thousand seven hundred dollars (\$1,700) for taxable years beginning after December 31, 1999, but before December 31, 2000; and
  - (f) The amount calculated under subsection (2) of this section for taxable years beginning after December 31, 2000.
- (2)
  - (a) For taxable years beginning after December 31, 2000, and each taxable year thereafter, the standard deduction for the current taxable year shall be equal to the standard deduction for the prior taxable year multiplied by the greater of:
    1. The average of the monthly CPI-U figures for the twelve (12) consecutive months ending in and including the July six (6) months prior to the January beginning the current tax year, divided by the average of the monthly CPI-U figures for the twelve (12) months ending in and including the July eighteen (18) months prior to the January beginning the current tax year; or
    2. One (1).
  - (b) As used in this subsection, a tax year shall be the twelve (12) month period beginning in January and ending in December.
  - (c) As used in this subsection, "CPI-U" means the nonseasonally adjusted United States city average of the Consumer Price Index for all urban consumers for all items, as released by the federal Bureau of Labor Statistics.
- (3) The standard deduction provided for in this section shall be in lieu of all deductions and shall not be allowed in the case of a taxable year of less than twelve (12) months on account of a change in the accounting period or in the case of a fiduciary.
- (4) In the case of a husband and wife living together, the standard deduction provided for in this section shall not be allowed to either if the net income of one (1) of the spouses is determined without regard to the standard deduction. The determination of marital status shall be made in the manner prescribed in Section 153 of the Internal Revenue Code.

**Effective:** July 15, 1996

**History:** Amended 1996 Ky. Acts ch. 265, sec. 1, effective July 15, 1996. -- Amended 1976 Ky. Acts ch. 77, Pt. 1, sec. 3. -- Amended 1956 (4th Extra. Sess.) Ky. Acts

ch. 4, sec. 5, effective April 23, 1956. -- Amended 1954 Ky. Acts ch. 79, sec. 8. --  
Created 1946 Ky. Acts ch. 234, sec. 7.