

**141.395 Tax credit for construction of research facilities.**

- (1) As used in this section:
  - (a) "Construction of research facilities" means constructing, remodeling, and equipping facilities in this state or expanding existing facilities in this state for qualified research and includes only tangible, depreciable property, and does not include any amounts paid or incurred for replacement property; and
  - (b) "Qualified research" means qualified research as defined in Section 41 of the Internal Revenue Code.
- (2) A nonrefundable credit in the amount determined in subsection (3) of this section is permitted against the tax assessed by both KRS 141.020 or 141.040 and 141.0401, with the ordering of credits as provided in KRS 141.0205, for the construction of research facilities. Any unused credit may be carried forward ten (10) years.
- (3) The credit allowed in subsection (2) of this section shall equal five percent (5%) of the qualified costs of construction of research facilities.

**Effective:** June 28, 2006

**History:** Amended 2006 (1st Extra. Sess.) Ky. Acts ch. 2, sec. 22, effective June 28, 2006. -- Created 2002 Ky. Acts ch. 230, sec. 5, effective July 15, 2002.

**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."