

143.021 Tax credit for thin seam coal.

- (1) A nonrefundable severance tax credit against the severance tax imposed by KRS 143.020 shall be allowed for new permitted production after July 1, 2000, as follows.
 - (a) For coal mined from above-drainage seams using deep mining or underground mining methods, the credit shall be equal to:
 1. Two and one-quarter percent (2.25%) of the gross value of coal with a coal thickness of between twenty-seven (27) and thirty (30) inches; or
 2. Three percent (3%) of the gross value of coal with a coal thickness of less than twenty-seven (27) inches.
 - (b) For coal mined from below-drainage seams using deep mining or underground mining methods, the credit shall be equal to:
 1. Two and one-quarter percent (2.25%) of the gross value of coal with a coal thickness of between thirty-two (32) and thirty-six (36) inches;
 2. Three percent (3%) of the gross value of coal with a coal thickness of between twenty-seven (27) and thirty-two (32) inches; or
 3. Three and three-quarters percent (3.75%) of the gross value of coal with a coal thickness of less than twenty-seven (27) inches.
- (2) Coal thickness under subsection (1) of this section shall be based on the weighted average isopach mapping of actual coal thickness by mine as certified by a professional engineer for each reporting period. The taxpayer shall attach a copy of the certified isopach mapping for each reporting period to the return filed for that period.
- (3) The taxpayer shall take the tax credit under this section in conjunction with the taxpayer's monthly return.

Effective: July 14, 2000

History: Created 2000 Ky. Acts ch. 478, sec. 2, effective July 14, 2000.