

**144.132 Sales and use tax credit for aircraft fuel purchased after June 30, 2000 --
Reporting and payment requirements.**

- (1) Subject to the provisions of subsection (2) of this section, any certificated air carrier which is engaged in the air transportation of persons or property for hire shall be entitled to a credit against the Kentucky sales and use tax paid on aircraft fuel, including jet fuel, purchased after June 30, 2000, as determined under subsection (2) of this section.
- (2) For fiscal years beginning after June 30, 2000, certificated air carriers shall pay the first one million dollars (\$1,000,000) in Kentucky sales and use tax due that is applicable to the purchase of aircraft fuel, including jet fuel. The one million dollars (\$1,000,000) shall be increased to reflect the sales and use tax on aviation fuel attributable to operations of any other company when such company is purchased, merged, acquired, or otherwise combined with the certificated air carrier after the base period. The increase shall be based on the tax applicable to aircraft fuel purchased during the twelve (12) month period immediately preceding the purchase, merger, or other acquisition by or in combination with the certificated air carrier. The sales and use tax credit shall be an amount equal to the Kentucky sales and use tax otherwise applicable to the purchase of aircraft fuel, including jet fuel, purchased by the certificated air carrier during each fiscal year beginning after June 30, 2000, in excess of one million dollars (\$1,000,000).
- (3) Each certificated air carrier purchasing aircraft fuel, including jet fuel, on which Kentucky sales and use tax for the fiscal year is reasonably expected to exceed one million dollars (\$1,000,000) shall report and pay directly to the Department of Revenue the tax applicable to the purchase of aircraft fuel, including jet fuel, purchased for storage use or other consumption during the fiscal year.
- (4) Each certificated air carrier claiming the sales and use tax credit authorized pursuant to this section shall file an annual sales and use tax reconciliation report with the Department of Revenue on or before October 15 of the fiscal year following the fiscal year for which the credit is claimed. The report shall be filed as provided in KRS 144.137.

Effective: June 20, 2005

History: Amended 2005 Ky. Acts ch. 85, sec. 558, effective June 20, 2005; and ch. 168, sec. 75, effective June 1, 2005. -- Created 1998 Ky. Acts ch. 400, sec. 2, effective July 15, 1998.

Legislative Research Commission Note (6/1/2005). This section was amended by 2005 Ky. Acts chs. 85 and 168, which do not appear to be in conflict and have been codified together.