

154.60-020 Emergency small business jobs stimulus tax credit program -- Application requirements -- Maximum credits permitted.

- (1) The Kentucky Economic Development Finance Authority shall develop a small business development credit program in consultation with the Division of Small Business Services to assist new or existing small businesses operating in the Commonwealth. The nonrefundable credit shall be allowed against the taxes imposed by KRS 141.020 or 141.040, and 141.0401. The ordering of credits shall be as provided in KRS 141.0205.
- (2) The authority shall determine the terms, conditions, and requirements for application for the credit, in consultation with the Division of Small Business Services, subject to the provisions of subsection (3) of this section. The application shall contain identification information about the number of eligible positions created and filled, a calculation of the base employment of the small business for each year from fiscal year 2009-2010 and forward, verification of investment of five thousand dollars (\$5,000) or more in qualifying equipment or technology, and other information the authority may specify to determine eligibility for the credit.
- (3)
 - (a) The maximum amount of credits that may be committed in each fiscal year by the Kentucky Economic Development Finance Authority shall be capped at three million dollars (\$3,000,000).
 - (b)
 1. A small business shall not be eligible to apply for credits and receive final approval for the credits until one (1) year after the small business:
 - a. Creates and fills one (1) or more eligible positions over the base employment, and that position or positions are created and filled for twelve (12) months; and
 - b. Invests five thousand dollars (\$5,000) or more in qualifying equipment or technology.
 2. The small business shall submit all information necessary for the Kentucky Economic Development Finance Authority to determine credit eligibility for each year, and the amount of credit for which the small business is eligible.
 - (c) The maximum amount of credit for each small business for each year shall not exceed twenty-five thousand dollars (\$25,000).
 - (d) The credit shall be claimed on the tax return for the year during which the credit was approved. Unused credits may be carried forward for up to five (5) years.

Effective: June 4, 2010

History: Amended 2010 (1st Extra. Sess.) Ky. Acts ch. 2, sec. 12, effective June 4, 2010. -- Created 2009 (1st Extra. Sess.) Ky. Acts ch. 1, sec. 66, effective June 26, 2009.

Legislative Research Commission Note (6/26/2009). 2009 (1st Extra. Sess.) Ky. Acts ch. 1, sec. 73, provided that this statute and KRS 154.60-010 and 154.60-030 "shall be known as the Emergency Small Business Stimulus Act."