

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT
LEGISLATIVE RESEARCH COMMISSION
2024 REGULAR SESSION**

MEASURE

2024 BR NUMBER 2390

HOUSE BILL NUMBER 699

TITLE AN ACT relating to the rehabilitation of certified historic structures.

SPONSOR Representative Ken Upchurch

FISCAL SUMMARY

STATE FISCAL IMPACT: YES NO UNCERTAIN

OTHER FISCAL STATEMENT(S) THAT MAY APPLY: ACTUARIAL ANALYSIS
 LOCAL MANDATE CORRECTIONS IMPACT HEALTH BENEFIT MANDATE

APPROPRIATION UNIT(S) IMPACTED:

FUND(S) IMPACTED: GENERAL ROAD FEDERAL RESTRICTED _____

FISCAL ESTIMATES	2023-2024	2024-2025	2025-2026	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES			(Indeterminable)	
EXPENDITURES				
NET EFFECT			(Indeterminable)	

() indicates a decrease/negative

PURPOSE OF MEASURE: House Bill 699 specifies that for instances in which the historic rehabilitation tax credit is transferred, the recipient of the transferred credit may carry the excess credit forward or request a refund of the excess credit. Currently, the taxpayer allowed the credit can carry forward any excess credit or request a refund. This proposed legislation just clarifies that the transferee will receive the same tax treatment upon credit transfer.

FISCAL EXPLANATION: The fiscal impact of House Bill 699 cannot be determined. The current amount of historic rehabilitation tax credits not being utilized in their entirety is unknown. Additional information is needed to determine fiscal impact which includes the total amount of credits transferred and the tax liabilities of the taxpayers or transferees receiving the credit.

DATA SOURCE(S): LRC Staff

PREPARER: Sarah Watts **NOTE NUMBER:** 145 **REVIEW:** JH **DATE:** 3/8/2024