

1 AN ACT relating to charity auctions.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 ➔Section 1. KRS 139.496 is amended to read as follows:

4 (1) Notwithstanding any other provisions of this chapter, the taxes imposed ***in KRS***  
5 ***139.200 and 139.310***~~herein~~ do not apply to:

6 ***(a)*** The first one thousand dollars (\$1,000) of sales made in any calendar year by  
7 individuals or nonprofit organizations not engaged in the business of selling.

8 This exemption is limited to the following types of transactions or activities:

9 ~~1. (a)~~ Garage or yard sales of household items by an individual or family  
10 which are in no way associated with or related to the operation of a  
11 business; ***or***

12 ~~2. (b)~~ Fundraising ***events***~~event~~ held by nonprofit civic, governmental,  
13 or other nonprofit organizations, except as set forth in KRS 139.497; ***or***

14 ***(b) Gross receipts derived from a charity auction held on or after July 1, 2017,***  
15 ***but before July 1, 2021, by a nonprofit civic, governmental, or other***  
16 ***nonprofit organization if the total proceeds from the auction are designated***  
17 ***and used for a specific charitable purpose.***

18 (2) The exemption does not apply to activities in which all or substantially all the  
19 household goods of a person are offered for sale or where nonprofit organizations  
20 conduct regular selling activities in competition with private business.