

1 AN ACT relating to small claims.

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

3 ➔Section 1. KRS 24A.230 is amended to read as follows:

4 (1) The small claims division shall have jurisdiction, concurrent with that of the
5 District Court, in all civil actions, other than libel, slander, alienation of affections,
6 malicious prosecution, and abuse of process actions, when the amount of money or
7 damages or the value of the personal property claimed does not exceed ***five***
8 ***thousand dollars (\$5,000)***~~two thousand five hundred dollars (\$2,500)~~ exclusive of
9 interest and costs.

10 (2) The division may also be used in civil matters when the plaintiff seeks to disaffirm,
11 avoid, or rescind a contract or agreement for the purchase of goods or services not
12 in excess of ***five thousand dollars (\$5,000)***~~two thousand five hundred dollars~~
13 ~~(\$2,500)~~ exclusive of interest and costs.

14 (3) The division shall have authority to grant appropriate relief, except no prejudgment
15 actions for attachment, garnishment, replevin, or other provisional remedy may be
16 filed in the division.

17 ➔Section 2. KRS 24A.290 is amended to read as follows:

18 The defendant may file with the clerk a counterclaim against the plaintiff in an amount
19 not in excess of ***five thousand dollars (\$5,000)***~~two thousand five hundred dollars~~
20 ~~(\$2,500)~~ exclusive of interest and costs, if the counterclaim arose out of the same
21 transaction or occurrence that is the subject matter of the plaintiff's claim, and if the
22 counterclaim does not require for its adjudication the presence of third parties over whom
23 the division cannot acquire jurisdiction. Any counterclaim shall be filed with the clerk,
24 and a copy delivered to the plaintiff at least five (5) days prior to the time of the hearing.
25 If the defendant's counterclaim is in excess of the jurisdictional limits of the division,
26 then the provisions of KRS 24A.310(1) shall apply.