

1 AN ACT relating to the valuation of motor vehicles for property tax purposes and  
2 declaring an emergency.

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

4 ➔Section 1. KRS 132.485 is amended to read as follows:

5 (1) (a) 1. Except as otherwise provided in paragraph (b) of this subsection, the  
6 registration of a motor vehicle with a county clerk in order to operate it  
7 or permit it to be operated upon the highways of the state shall be  
8 deemed consent by the registrant for the motor vehicle to be assessed by  
9 the property valuation administrator from a standard manual prescribed  
10 by the department for valuing motor vehicles for assessment unless:

11 a.~~[1.]~~ The registrant appears before the property valuation administrator  
12 to assess the vehicle; or

13 b.~~[2.]~~ The motor vehicle is twenty (20) years old or older, in which case  
14 paragraph (b) of this subsection applies regarding its valuation.

15 The standard value of motor vehicles shall be the average trade-in value,  
16 **not the rough or clean trade-in values,** prescribed by the valuation  
17 manual~~[unless information is available that warrants any deviation from~~  
18 ~~the standard value].~~

19 **2. Tax refunds shall be granted under KRS 134.590 for the overpayment**  
20 **of property taxes on motor vehicles assessed for the January 1, 2022,**  
21 **assessment date using a standard value that was not the average trade-**  
22 **in value as required by subparagraph 1. of this paragraph.**

23 **3. The department shall make public taxpayers' option to request a**  
24 **refund and shall post the information in subparagraph 2. of this**  
25 **paragraph on its Web site for a period of at least two (2) years. Each**  
26 **property valuation administrator and county clerk shall also post the**  
27 **information in subparagraph 2. of this paragraph in its office and on**

1                                    its Web site, or the county's Web site when a Web site does not exist  
 2                                    for the property valuation administrator or county clerk, for a period  
 3                                    of at least two (2) years.

- 4            (b) In the case of motor vehicles that are twenty (20) years old or older:
- 5                    1. It shall not be presumed that a vehicle has been maintained in, or  
 6                    restored to, the original factory or otherwise classic condition or that its  
 7                    value has increased over the previous year;
- 8                    2. In assessing motor vehicles under this paragraph and calculating the  
 9                    taxes due thereon, through the AVIS or otherwise, if the registrant does  
 10                   not appear before the property valuation administrator to assess the  
 11                   vehicle, the standard value shall be as follows:
- 12                      a. The actual valuation of the vehicle as was assessed in the vehicle's  
 13                      nineteenth year, if the vehicle was assessed for taxation in the  
 14                      Commonwealth in that year; or
- 15                      b. The average trade-in value prescribed by the applicable edition of  
 16                      the valuation manual for the vehicle in its nineteenth year, if the  
 17                      vehicle was not assessed for taxation in the Commonwealth in that  
 18                      year;
- 19                      reduced by ten percent (10%) annually for each year beyond nineteen  
 20                      (19) years; and
- 21                    3. In the case of any motor vehicle for which the assessment procedure  
 22                    provided in subparagraph 2.b. of this paragraph would apply but cannot  
 23                    be carried out because the applicable edition of the valuation manual is  
 24                    unavailable, the property valuation administrator shall conduct an  
 25                    assessment of the vehicle to determine the value thereof for the given  
 26                    taxable year. The assessment under this subparagraph may be done in  
 27                    person if the vehicle's owner presents the vehicle at the property

1 valuation administrator's office, or the assessment may be done through  
2 a review of photographs and other documentary evidence. In subsequent  
3 years, that valuation shall be reduced by ten percent (10%) annually.

4 (2) The registration of a recreational vehicle with the county clerk in order to operate it  
5 or permit it to be operated upon the highways shall be deemed consent by the  
6 registrant thereof for the recreational vehicle to be assessed by the property  
7 valuation administrator at a valuation determined from a standard manual  
8 prescribed by the department for valuing recreational vehicles for assessment unless  
9 the registrant appears in person before the property valuation administrator to assess  
10 the vehicle.

11 (3) The registration of a motor vehicle on or before the date that the registration of the  
12 vehicle is required is prima facie evidence of ownership on January 1.

13 (4) When a motor vehicle is purchased in one (1) year, but registration takes place after  
14 January 1 of the following year through no fault of the owner, the department shall  
15 assess the motor vehicle and shall send notice of the assessment to the January 1  
16 owner in accordance with KRS 186A.035. If the month of registration has passed  
17 for the current year, the assessment shall be due and payable if not protested to the  
18 department within sixty (60) days from the date of the notice. Payments made after  
19 the due date shall carry the normal penalty and interest for motor vehicles.

20 (5) This section does not apply to motor vehicles or recreational vehicles owned and  
21 operated by public service companies, common carriers, or agencies of the state and  
22 federal governments.

23 ➔Section 2. This Act shall apply to motor vehicles assessed on or after January 1,  
24 2022.

25 ➔Section 3. Whereas the standard valuation of motor vehicles is essential for  
26 assessing property taxes and affects citizens throughout the Commonwealth, an  
27 emergency is declared to exist, and this Act takes effect upon its passage and approval by

- 1 the Governor or upon its otherwise becoming a law.