

1 AN ACT relating to the taxation of currency and bullion currency and declaring an  
2 emergency.

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

4 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 139 IS CREATED TO  
5 READ AS FOLLOWS:

6 (1) (a) On or after the effective date of this Act, a violation shall occur when an  
7 official notice published by the secretary of Finance and Administration  
8 Cabinet or the commissioner of the department instructs that taxpayers  
9 should continue to collect and remit sales and use tax on the sale, use,  
10 storage or other consumption of currency or bullion currency under this  
11 chapter.

12 (b) Any notice or instruction, published at any time, that states that on or after  
13 August 1, 2024, the sale, use, storage, or other consumption of currency or  
14 bullion currency under this chapter is taxable is void and unenforceable.

15 (2) Notwithstanding KRS 49.220 and 139.770, on and after August 1, 2024, any  
16 person who paid sales tax under KRS 139.200 or use tax under KRS 139.310 on  
17 currency or bullion currency that is exempt from sales and use tax under KRS  
18 139.480(37) may maintain an action for a refund of the tax paid, as an individual  
19 or by seeking certification as a class under Rule 23 of the Kentucky Rules of Civil  
20 Procedure for a refund on behalf of the person and other persons similarly  
21 situated against the Commonwealth.

22 (3) An action for a refund pursuant to subsection (2) of this section, or alleging a  
23 violation under subsection (1) of this section, may be brought in the Circuit Court  
24 of any county where the named plaintiff resides or where the currency or bullion  
25 currency transaction took place.

26 (4) In addition to a refund of the sales or use tax, persons seeking a refund pursuant  
27 to subsection (2) of this section or alleging a violation under subsection (1) of this

1 section who prevail shall be entitled to:

2 (a) Prejudgment and post-judgment interest;

3 (b) Temporary or permanent injunctive relief;

4 (c) Reasonable attorney's fees and costs; and

5 (d) For allegations of a violation under subsection (1) of this section, liquidated  
6 damages of one thousand dollars (\$1,000) for each day that the violation  
7 occurred, which shall be paid from the administrative budget of the Finance  
8 and Administration Cabinet, the department, or the Office of the Governor.

9 (5) It is the intent of the General Assembly to waive sovereign, governmental, and  
10 qualified immunity for claims under this section, including immunity afforded to  
11 the Commonwealth pursuant to the Eleventh Amendment to the Constitution of  
12 the United States.

13 (6) Any person who directs, instructs, or causes a violation of any provision of this  
14 section shall be personally, jointly, and severally liable for any awarded damages.

15 ➔Section 2. Subsection (2) of Section 1 of this Act shall be retroactive to August  
16 1, 2024.

17 ➔Section 3. Whereas taxpayer relief is critical and timely relief is necessary, an  
18 emergency is declared to exist, and this Act takes effect upon its passage and approval by  
19 the Governor or upon its otherwise becoming a law.