

**45A.067 Requirement for registration with Department of Revenue to collect and remit sales and use tax -- Exemption -- Applicability to foreign persons -- Administrative regulation.**

- (1) As used in this section:
  - (a) "Affiliate" means a person who directly or indirectly owns or controls, is owned or controlled by, or is under common ownership or control with another person or group of persons; and
  - (b) "Person" includes any individual, firm, copartnership, pass-through entity as defined in KRS 141.010(26), joint venture, association, social club, fraternal organization, corporation, estate, trust, business trust, receiver, trustee, syndicate, cooperative, assignee, governmental unit or agency, or any other group or combination acting as a unit.
- (2) The Commonwealth shall not contract to acquire goods or services, and a person shall not contract to supply goods or services to the Commonwealth, unless, prior to or contemporaneous with entering into the contract, the person contracting to supply goods or services and its affiliates register with the Department of Revenue to collect and remit the sales and use tax imposed by KRS Chapter 139.
- (3) Nothing in this section shall require a person or affiliate to register if the person or affiliate does not make sales to customers in the Commonwealth.
- (4) The provisions of subsection (2) of this section are specifically applicable to foreign persons, notwithstanding the fact that the foreign person or the affiliate may not otherwise be legally obligated to collect and remit the sales and use tax.
- (5) The secretary of the Finance and Administration Cabinet shall promulgate an administrative regulation to establish the procedure ensuring compliance with the provisions of this section.

**Effective:** July 15, 2008

**History:** Created 2008 Ky. Acts ch. 43, sec. 1, effective July 15, 2008.