

**APPLICATION FOR ELECTRICITY
EXEMPTION FOR COMMERCIAL MINING
OF CRYPTOCURRENCY**



This application is only for a facility primarily engaged in the commercial mining of cryptocurrency.

Electricity purchased for the commercial mining operation must be in an amount greater than 200,000 KWH per month to qualify for this exemption. See additional information on the reverse side.

Designate which tax(es) the application is for: Sales & Use Tax Utility Gross Receipts License Tax (UGRLT)

Name of Business	/				
	Enter Exact Name of Business			Telephone Number	
Location of Facility (Authorization is site specific)					
	Number and Street	City	County	State	Zip Code
Mailing Address (If different from above)					
	P. O. Box or Number and Street	City	County	State	Zip Code
E-mail Address					
Nature of Business at this Location	IMPORTANT: An accurate description of your business is necessary				
Questionnaire	1 Are books kept on a calendar year basis? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," give fiscal year ending date: (Month) _____ (Day) _____				
	2 Is the power for the cryptocurrency computing system separately metered? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No", then you must apply for a Consumer's Use Tax and/or a UGRLT account as applicable to report the tax due on electricity not consumed in the cryptocurrency mining process. You may apply for these business accounts at www.onestop.ky.gov .				
	3 If applying for a UGRLT exemption, in what school district is the facility located?				
Identification Numbers	UGRLT Number				
	Sales and Use Tax Permit Account Number				
	Kentucky Corporation Income Tax Number				
Supplier Detail (Submit invoices showing purchases greater than 200,000 KWHs per month)	Name of Supplier	Address of Supplier		Cost of Electricity	
	Total Amount				

I hereby certify that the above statements are correct to the best of my knowledge and belief and that I am duly authorized to sign this application. I agree that, in consideration for issuance of this exemption for the commercial mining of cryptocurrency, I will directly report and pay to the Department of Revenue the sales and use tax and/or UGRLT as applicable on all electricity purchased exempt and not consumed in the cryptocurrency mining process at the facility.

Signature _____

Title _____

Name (print) _____

Date _____

Mail to: **Kentucky Department of Revenue
Division of Sales and Use Tax
P.O. Box 1303
Frankfort, KY 40602-1303**

INSTRUCTIONS

Complete all information requested on the reverse side of this form. Include copies of invoices for all electricity purchases used in the mining of cryptocurrency at the facility over the last twelve months.

IF YOUR APPLICATION IS APPROVED:

- 1) The effective date of your exemption authorization is the date of your application as received by the Department.
- 2) The Department will send you an authorization letter for each applicable tax. You must forward a copy of the letter(s) to each of your electricity providers, which must retain the letter(s) on file to verify the electricity purchases made without payment of the applicable taxes.
- 3) You may purchase electricity used for the commercial mining operation for the qualifying facility without payment of sales and use tax, and if applicable, the UGRLT.
- 4) If the electricity used for the mining operation for cryptocurrency is not separately metered and you purchase all your electricity for the facility exempt, you must separately report and pay applicable taxes on the portion of electricity purchased and used for purposes other than to power the commercial mining computing system.
- 5) You must file a report annually with the Department detailing the amounts of the applicable taxes exempted from your electricity purchases. For the annual reports, include all applicable invoices to document monthly purchase amounts and to verify consumption within the mining process exceeding 200,000 KWH. Unless otherwise directed in the authorization letter, all annual reports are due by 11/01 each year and cover the previous fiscal year (the July through June billing periods).

