



Department of Revenue

Records Retention Schedule

Prepared by the State Records Branch
Public Records Division

Approved by the State Archives and Records Commission



This records retention schedule governs retention and disposal of records created, used and maintained by the Department of Revenue. Government records in Kentucky can only be disposed of with the approval of the State Archives and Records Commission (the Commission). This agency-specific schedule was drafted by Department of Revenue personnel and Public Records Division (PRD) staff, and reviewed and approved by the Commission. This schedule provides the legal authority for the Department of Revenue to destroy the records listed, after the appropriate retention periods have passed.

Department of Revenue personnel should use this agency-specific schedule in combination with the *General Schedule for State Agencies (General Schedule)*, also approved by the Commission. The *General Schedule* applies to records that are created, used and maintained by staff at all or most state agencies. Agency-specific retention schedules are used only by specific agencies and apply to records that are created only by a particular state agency, or to records that a state agency is required to retain longer than the approved time period on the *General Schedule*. The *General Schedule* and agency-specific retention schedule should cover all records for the Department of Revenue.

This retention schedule applies to state agency records and information regardless of how it is created or stored. For example, information created and sent using e-mail is as much a public record as materials created or maintained in paper. Kentucky law defines public records, in part, as "documentary materials, *regardless of physical form or characteristics*, which are prepared, owned, used, in the possession of or retained by a public agency" (KRS 171.410[1]). This means that records management standards and principles apply to all forms of recorded information, from creation to final disposition, regardless medium. Records retention scheduling is important in developing, using, and managing computer systems and other electronic devices. Records management practices encourage cost-effective use of electronic media through accurate retention scheduling and legal destruction of records.

All state government employees are responsible for maintaining records according to the retention schedule, whether those records are stored electronically or in paper. Information must be accessible to the appropriate parties until all legal, fiscal, and administrative retention periods are met, regardless of the records storage medium.

This retention schedule covers the content of records created by the Department of Revenue, including records created or stored using computers and computer systems. The *General Schedule for Electronic and Related Records* applies to records related to computers or a computer system. Examples of these include system documentation and use records, backup files, or website format and control records.

Audits and Legal Action

Agency records may be subject to fiscal, compliance or procedural audit. If an agency should maintain records longer than the approved retention period, as may be the case with some federal audits, then all affected records should be retained until the audit has been completed and the retention period met. In no case should records that are subject to audit be destroyed until the audit has been completed and retention periods met, or the records have been officially exempt from any audit requirements.

Records may also be involved in legal or investigative actions, such as lawsuits, administrative hearings or open records matters. These records must be retained at least until all legal or investigative matters have concluded, regardless of retention period. This includes all appeals of lawsuits.

Vital Records

Vital records are essential to the continued functioning of an agency during and after an emergency. Vital records are also essential to the protection of the rights and interests of an agency and of the individuals for whose rights and interests it has a responsibility. Vital records are identified in the retention schedule with a (V).

Confidential Records

While all records created, used and maintained by government agency personnel are public records, not all of those records are open to public inspection. Whether a record is open to public inspection is determined by the state's Open Records laws and other relevant state or federal statutes and regulations. Restriction of public inspection of confidential records may apply to the whole record or only to certain information contained in the record.

Kentucky's public records are considered open for public inspection unless there is some specific law or regulation that exempts them. Agency personnel who believe certain records are confidential should submit a citation from Kentucky Revised Statutes, Administrative Regulations, Code of Federal Regulations, or similar authority. **State agency heads have the responsibility to know all the appropriate confidentiality laws, statutes and regulations that apply to the records maintained by their agency and to see that those laws are enforced.** Even though a record series may or may not be marked confidential on a retention schedule, contradictory laws or regulations that are passed after the schedule has been approved must be honored.

Copies of Records

Agency personnel often make copies of records for internal use or reference purposes. Agencies should designate one copy as the official copy and make sure it is retained according to the records retention schedule. Agencies can destroy all other copies when no longer useful.

Updating the Retention Schedule

Per 725 KAR 1:010, the head of each state government agency is required to designate a member of his or her staff to serve as a records officer. The agency records officer represents that agency in its records-related work with the Public Records Division. The agency records officer is responsible for assisting the Public Records Division in drafting a records retention schedule, and in finding any schedule updates to bring before the Commission. The retention schedule should be reviewed on a regular basis to suggest appropriate changes to the Commission.

Department of Revenue

The Department of Revenue is organized as a unit of the Finance and Administration Cabinet and the duties and functions are stated in KRS Chapters 131 through 144.

The Department of Revenue is responsible for exercising all administrative functions of the state in relation to the state revenue and tax laws, the licensing and registering of motor vehicles, the equalization of tax assessments, the assessment of public utilities and public service corporations for taxes, the assessment of franchises, the supervision of tax collections, and the enforcement of revenue and tax laws, either directly or through supervision of tax administration activity in other departments to which the Department may commit administration of certain taxes. The Department of Revenue is the primary revenue collection agency for state government.

The Department is made up of the Office of the Commissioner, Division of Legislative Services, Office of Processing and Enforcement, Office of the Taxpayer Ombudsman, Office of Property Valuation, Office of Miscellaneous Taxes, Office of Sales and Excise Taxes, Office of Income Taxation, and Office of Field Operations.

RECORDS RETENTION SCHEDULE

Signature Page

Department of Revenue
Agency

September 8, 2011
Schedule Date

Unit

Change Date

September 8, 2011
Date Approved By Commission

APPROVALS

The undersigned approve of the following Records Retention Schedule or Change:

[Signature]

Agency Head

9-14-2011

Date of Approval

[Signature]

Agency Records Officer

09/14/2011

Date of Approval

[Signature]

State Archivist and Records Administrator
Director, Public Records Division

9/8/11

Date of Approval

[Signature]

Chairman, State Archives and Records Commission

9/8/11

Date of Approval

The undersigned Public Records Division staff have examined the record items and recommend the disposition as shown:

[Signature]

Records Analyst/Regional Administrator

09/08/2011

Date of Approval

[Signature]

Appraisal Archivist

9/15/11

Date of Approval

[Signature]

State/Local Records Branch Manager

9/8/11

Date of Approval

The determination as set forth meets with my approval.

[Signature]

Auditor of Public Accounts

9-8-11

Date of Approval

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04653	Daily Payment Listing Printout File (V)	This series documents a detailed report of all moneys received in all tax types. The report is compared, checked, and balanced against totals counted the previous day. The State Auditor's Office requires this printout for review and audit purposes.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: State identification number; tax type; name of company/entity; notice number, which is a unique number from CARS used to post to CARS-(Compliance and Receivables System); tax paid; penalties and interest paid; validating number; total paid.
	Retention and Disposition	Retain in Agency two (2) years and transfer to the State Records Center for three (3) years. Destroy after audit. Total retention is five (5) years.
04654	Worksheet Payment Listing Printout File (V)	This series summarizes accounts receivables, electronic fund transfers and provider tax payments from all payments received. Payments are balanced with calculator tapes in the accounts receivable section, and matched with the Division of Accounts, Finance and Administration Cabinet, and the Treasury Department. The Auditor's Office reviews the printouts with a great deal of scrutiny when auditing Revenue.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Date of processing; Revenue identification number/FEIN number; name of company; tax type; tax period; type of return; tax paid; penalties and interest; total paid; validating number.
	Retention and Disposition	Retain in Agency two (2) years. Transfer to the State Records Center for an additional three (3) years. Total retention is five (5) years or after audit, whichever is longer.
04655	Daily CARS Printout Report File (V)	This series documents payments received by the Revenue Cabinet. Copies of the report are forwarded to the corresponding tax area as worksheets and updating files, noting payments made to outstanding tax bills. The Compliance and Receivables System (CARS) (04737) electronically notifies and updates files/accounts in the other tax systems when payment is received.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series contains: Identification number; validating number; name and address of entity, individual; payment amount; tax due; penalties and interest; tax period; type tax; grand totals; bills in suspense/litigation (account number, name, tax due, tax period, bill reason, total due).
	Retention and Disposition	Retain in Agency two (2) years; transfer to the State Records Center for three (3) years. Destroy after audit. Total retention is five (5) years.
04656	Monthly Compliance and Receivables System (CARS) Account Receivables Report File (V)	This series documents a reconciliation of the Electronic Filing Transfer (04651); Daily Accounts Receivable Journal Voucher (110/120) Printout (04652); Daily Payment Listing Printout (162) (04653); Worksheet Payment Listing (160) Printout File (04654); and the Daily CARS Printout Report File (04655). Each of the daily reports work together to create the final documentation report of this printout. It summarizes other reports and provides statistical data for other Compliance and Receivables System (CARS) reports.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Type tax; total bills; net tax due; net interest; net penalties; net fees due; total due.
	Retention and Disposition	Retain in Agency two (2) years; Transfer to the State Records Center for three (3) years. Destroy after audit. Total retention is five (5) years.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04857	Record Request File	This series documents the requests for information or tax returns from taxpayers. The requests often come from attorneys as supporting documentation for income information about their clients. Returns are provided only when a release form is provided by the taxpayer. A subpoena will not guarantee a copy to an attorney, unless ordered by a judge.
	Access Restrictions	KRS 131.190 - Tax Information produced in response to request
	Contents	Series may contain: Letter of request; copy of certification; correspondence.
	Retention and Disposition	Retain in Agency two (2) years, then destroy.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Commissioner's Office
Disclosure

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04658	Master Agreement File (V)	This series documents agreements between Revenue and other agencies related to the exchange of tax information. KRS 131.190 (2) states that Revenue will make available any information for official use only, and on a confidential basis, to the proper officer, board or commission of this state, county, other state, or the federal government, under reciprocal arrangements whereby Revenue will receive similar or useful information in return. Most of the agreements are perpetual, open-ended, and can be amended. They restrict, limit, or define the type of information available for exchange, primarily on a need-to-know basis. The agreements are executed by the head of Kentucky Revenue.
	Access Restrictions	None
	Contents	Series may contain: Agreement; terms; authorized individuals; changes; correspondence.
	Retention and Disposition	Retain in Agency, then destroy three (3) years after expiration.
04659	Confidential Records Request File - State Information	This series documents the request for confidential tax information under the terms of the Master Agreement File (04658). The majority of the requests identify who is asking for the information, why, what is needed, and what it is to be used for. The requests for information must be made in writing by someone authorized to make the request.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Request/correspondence--who is making the request, why, what is requested; viewing/visiting form; copy of charge out control sheet.
	Retention and Disposition	Retain in Agency five (5) years then destroy.
04660	Internal Revenue Service Request for State Tax Information File (V)	This series documents the request from the Internal Revenue Service (IRS) for state tax information based on the terms of the Master Agreement File (04658). It identifies who is making the request, what is being requested, and why.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Copy of request form--section A includes name of requestor, agency, address; section B includes name of taxpayer, Social Security/employee identification number, address, information requested, tax periods, reason requested; section C includes name of employee making request, group manager, requesting agency; section D includes information for receiving agency/record keeping purposes--information provided, specific figures requested, exceptions/not available, accounting for the disclosure, signature/authorized exchange representative.
	Retention and Disposition	Retain in Agency five (5) years; destroy after audit.
04661	Kentucky Revenue Request for Federal Tax Information File	This series documents the requests from Kentucky Revenue to the Internal Revenue Service (IRS) for federal tax information. The requests are most often related to the completion of tax audits, tax liabilities, locating people, compliance issues, or other tax administrative activities.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Letter/correspondence; copy of request for return/information (goldenrod copy); charge out control sheet; information is returned with white copy of request; date noted upon return.
	Retention and Disposition	Retain in Agency five (5) years, then destroy.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Commissioner's Office
Disclosure

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04662	Federal Tape Extract Program File (V)	This series documents the reported federal tax information on individuals and businesses in Kentucky. The federal Disclosure Office is the custodian or responsible party for the transfer of the information to Kentucky Revenue. Revenue uses the information for audit and compliance purposes. The data are matched and verified against what is entered and retained in the Revenue tax systems. The federal data include filings from all individuals and businesses with Kentucky addresses.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Books with layout of tapes; levy; individual master file (name, addresses, Social Security Number, demographic); individual return transaction file (tax return data); business master file; business return transaction file.
	Retention and Disposition	Retain in Agency. Destroy after five (5) years or audit, whichever is longer.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Commissioner's Office
Public Information and Communication

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04903	Master Forms Control File (V)	This series documents the forms and publications for which the Public Information and Communication Branch is responsible. The forms are created for the use and benefit of the taxpayers, the general public, and employees. There are occasions during taxpayer audits that older tax forms are needed, and copies can be made. Publications may include internal circulars or policies.
	Access Restrictions	None
	Contents	Series may contain: Form contents.
	Retention and Disposition	Retain permanently one historical copy in the agency.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Commissioner's Office
Taxpayer Ombudsman

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04663	Problem Resolution Case Record	This series documents various activities or transactions in response to a taxpayer's resolution of a tax- related question or problem with Revenue. The Ombudsman and staff serve as advocates for taxpayers' rights. A primary function of the Office is to ensure that the rights of a Kentucky taxpayer are protected by Revenue. Staff members also confer with Revenue employees when a taxpayer has a problem or conflict that cannot easily be resolved, or if the taxpayer feels she or he is not being treated fairly. It is not the role of the Office to intercede in an audit, handle a protest, waive taxes, penalties or interest, or answer technical tax questions. (The Board of Tax Appeals is the agency that is responsible for hearing protests, reviews and conferences related to tax assessments.) The Ombudsman's Office was created as a result of the Taxpayers' Bill of Rights, as specified in KRS 131.041-081.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Correspondence and printouts of screens related to the taxpayer's status. Tax returns are utilized, but are not maintained in this series.
	Retention and Disposition	Retain in Agency, then destroy five (5) years after resolution of case.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Field Operations

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04547	Log-In Sheet File	This series documents the batches of income tax return data from the transmittal sheets (04548) that have been transferred from the ALPHA to the Department of Information Systems' mainframe. The ALPHA is the holding center or system that maintains information awaiting transfer to the DIS mainframe. The auditors check the transmittal numbers identified on the log-in sheet against the numbers assigned on the transmittal sheet for accuracy. The information is maintained on paper because the ALPHA does not have the capacity to hold the volume of data required and must be deleted.
	Access Restrictions	None
	Contents	Series may contain: Date; validating number; control number; initials of operator; initials of verifier; verification of transmittal and deletion (once downloaded to mainframe).
	Retention and Disposition	Retain in Agency six (6) months; transfer to the State Records Center for two (2) years, six (6) months. Total retention is three (3) years or after audit, whichever is longer.
04637	Check Register Log, Field Operations	This series documents the receipt of checks for payment of taxes due in the Taxpayer Service Center (TSC). The TSC is required to list all checks received on the log sheet before the check is sent to Frankfort for processing. If cash is used for payment, it is deposited in the TSC's bank account. A triplicate form is used to write a cash receipt for the taxpayer and to simultaneously write a check that is sent to Frankfort for processing, by withdrawing the money from the TSC's bank account. NOTE: If a taxpayer comes to the service center using the TSC as a mailbox, meaning the check is already in a prepared envelope, the service center does not open the envelope to log it in the register. It is simply included in the mail that comes to Frankfort for processing.
	Access Restrictions	KRS 131.190 - Tax information
	Contents	Series may contain: Page number; district office, month; date received in office; person check routed to; name of taxpayer; type tax; taxpayer identification; check date; check number; cash collected; collection amount as totaled by the auditor, field representative, and office; date mailed to Frankfort; totals.
	Retention and Disposition	Retain in Agency three (3) years then destroy after audit.
04840	Bank Reconciliation File	This series tracks and reconciles the bank accounts of the taxpayer service centers. The bank statements balance money deposited into the bank within the city where the service center resides and other account transactions. There is one statement done for each service center each month.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Date; Taxpayer Service Center; bank name and address; balance at end of month; outstanding checks (date/number/taxpayer/tax symbol/period/amount); add deposits not entered by bank; total deposits; balance; signature.
	Retention and Disposition	Retain in Agency the original paper copies for one (1) year and electronic copies three (3) years; destroy after audit.
04841	Temporary Vendor's Sales Tax Permit File (V)	This series documents the temporary sales tax permit for vendors not required to obtain a permanent sales tax registration number. Most often the vendors are those doing business in the state on a once-a-year or very short-term basis, transient vendors. 103 KAR 25.060 defines vendors as those who are not regularly engaged in selling at retail and who do not have a permanent place of business, but are temporarily engaged in selling from trucks, portable roadside stands, concession stands at fairs, circuses, carnivals, flea markets, etc. The individuals must report and remit the tax on a non-permit basis, and obtain a temporary retail sales tax registration from the Department of Revenue. Audit documentation for this series comes from the Cash Receipts File (04846) and the Check Register Log (04637). The permit is valid for not more than 30 days.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Permit number; effective dates; county code; type of business; name; address; town; amount of bond posted; tax paid; amount of bond returned; taxpayer's signature/date/title; tax computation (total receipts; deductions; net receipts; taxable receipts; amount subject to use tax; total taxable amount; sales and use tax; compensation; tax due; penalty and interest; total amount due); date/signature of field representative.
	Retention and Disposition	Retain in Agency then destroy paper copies after one (1) year and delete electronic records after three (3) years.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Field Operations

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04842	Field Audit Assignment Completed Report File (V)	This series documents and tracks audit activities of the Department of Revenue's field auditors. An auditor does the actual audit work on a business, consisting of the formal and detailed examination and review. This series also includes the information on a completed audit selected records, verifies refunds, and documents any pending issues.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Auditor's name, business name, address, date of audit, audit results, correspondence, and refunds, if applicable.
	Retention and Disposition	Retain in Agency and delete one (1) year after completion of audit.
04843	Field Representative Assignment File (V)	This series documents and tracks assignment information of the field representatives including but not limited to: type of assignment, date, type tax, and district and a current file of activities. Although assignments may come from many areas of Revenue, most of the field work is compliance-related. The field representatives send in a paper report from which information is then entered into an electronic system and forwarded to the section that initiated the assignment.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Name of taxpayer; identification number; type tax; type assignment; date assigned; field representative assigned; district code; area initiating assignment; completion date.
	Retention and Disposition	Delete four (4) years after completion of assignment.
04844	Weekly Field Representative Activity Report File	This series documents a field representative's activity in relation to his/her field assignments and expended hours. The report is done for the field supervisor and aids in delegating assignments and balancing the workload of each representative. It is a management tool used by the supervisor to monitor time spent by the representatives in the Taxpayer Service Center assisting taxpayers on a walk-in basis, and rates of return in various types of taxes worked in the field.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Name; week ending; activity including but not limited to the following information: return examination--type/hours; KyOSCAR/hours; sales and use activities/hours; compliance; tax gap; other; taxpayer assistance; contractor reports; permit events; other; training; miscellaneous other, total hours worked); date; activity code; description; type; number; collected; time; miles.
	Retention and Disposition	Retain in Agency then destroy after four (4) years.
04845	Temporary Vendor's Sales Tax Permit File (V)	This series documents the temporary sales tax permit for vendors not required to obtain a permanent sales tax registration number. The original document is retained in the central office in Frankfort for purposes of follow-up. The permit is valid for not more than 30 days. Retention in the field office equals that of the same record in the central office in Frankfort (04841).
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Permit number; effective dates; county code; type of business; name; address; town; amount of bond posted; tax paid; amount of bond returned; taxpayer's signature/date/title; tax computation (total receipts; deductions; net receipts; taxable receipts; amount subject to use tax; total taxable amount; sales and use tax; compensation; tax due; penalty and interest; total amount due); date/signature of field representative.
	Retention and Disposition	Retain in Agency then destroy after one (1) year.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Field Operations

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04846	Cash Receipts Issued by Field Representative File (V)	This series documents the payment of a tax bill or liability to Revenue. Taxpayers often come to the taxpayer service centers or field offices throughout the state to conduct business, either to check on a tax bill or to pay one.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Name of taxpayer; sequential number of receipt; address of taxpayer; amount paid; currency/check/money order; for (purpose); date/name of Field Representative.
	Retention and Disposition	Retain in Agency three (3) years then destroy after audit.
04847	Field Check Routing Sheet File (V)	This series documents and tracks the checks written by the staff of a Taxpayer Service Center. These are not checks written to the Department by a taxpayer, but checks written on the bank deposits of the Center to send the moneys to Frankfort for processing to the General Fund. A list is sent with the checks, as well as the routing sheet, so that the Department's central office and the Division of Accounts, Finance and Administration Cabinet, can verify receipt of the checks. *The number of checks will vary from office to office.
	Access Restrictions	None
	Contents	Series may contain: Date; name of center; list of check numbers attached (no total); verification of receipt of check by the central office and Division of Accounts (Finance and Administration); name of bank; name of preparer; signature/date.
	Retention and Disposition	Retain in Agency two (2) years then destroy.
04848	Auditor's Time Sheet File (V)	This series documents the time management of auditors in the field offices, in particular, the time spent on assigned audits. It documents travel, actual audit work, time for writing the audit narrative, pre-audit, audit checking (math and theory review), post audit, and the electronic audits (EDP). It distinguishes between what is chargeable to an audit and what is non-chargeable.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Name; Social Security Number; office code; period ending; name of taxpayer; assignment number; tax account number; type tax; auditor code; time code; hours; distribution of time; total chargeable/total non-chargeable; total time; signature of auditor; Revenue Audit Supervisor signature.
	Retention and Disposition	Retain in Agency three (3) years then destroy after audit.
05311	Employee Training File - Tax Schools (V)	This series documents the materials used for the training and educating of Department employees, particularly field auditors, field representatives, compliance staff and audit reviewers. The Audit Training and Support Branch provides instructors, develops training materials, and coordinates training for most in-house tax schools. The Branch works closely with the Department's Training and Development Branch to coordinate focused workshops in technical training and tax-related topics for employees. Each school provides employees an opportunity to gain a working knowledge of specific components of tax areas, usually individual income, corporation, and sales and use. Withholding, severance and motor fuels tax schools have been conducted as needed. Income tax schools are conducted annually, and sales and use, and corporation tax schools generally every other year. Also, a current issues school is often conducted to provide instruction regarding tax changes, tax policies, and audit practices. The Legal Services Division, within the Finance Cabinet, reviews materials to ensure that proper references to laws and regulations are clear and consistent. The training materials must be retained for the years that are related to potential audits or litigation by the Cabinet for Finance and Administration and Department of Revenue.
	Access Restrictions	None
	Contents	Series may contain: Notebooks; training materials; tax laws and regulations; changes to laws and regulations; agency's position on exemptions, procedures and what is taxable/deductible; audit procedures and techniques; and copies of court cases.
	Retention and Disposition	Retain training manuals in Agency fifty (50) years and destroy all other materials after fifteen (15) years.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Field Operations

Record Group
Number
2560

Series	Records Title and Description	Function and Use
05312	<p>Tax School Examination File (V)</p> <p>Access Restrictions KRS 61.878 (1) (g)</p> <p>Contents Series may contain: Examination questions and answer sheets.</p> <p>Retention and Disposition Retain in Agency five (5) years and destroy.</p>	<p>This series documents the examination given to those staff who participate in the tax schools conducted by the Cabinet. The successful completion of the course work and examination is essential for job advancement and the satisfaction of other audit work completed over time. The schools can last from two or three days to eight weeks, depending on the type of course taken. The length of the course is not as important as its successful completion.</p>
05313	<p>Student Examination and Answer Sheet File (V)</p> <p>Access Restrictions KRS 61.878 (1) (a) - Test Scores</p> <p>Contents Series may contain: Examinations and answer sheets.</p> <p>Retention and Disposition Destroy upon filing of verification letter in individual's personnel file (P0001).</p>	<p>This series documents the results of tax class examinations taken by employees. Upon verification of the test score, a letter stating the score is placed in the individual's personnel file (P0001). If the individual fails the examination, the letter states the next opportunity to re-take the test. The personnel file contains the official record of the employee's training and work activities. The verification letter included in the personnel file assists in tracking an employee's career, as promotions and opportunities for advancement within the Cabinet become available. The answer sheet is of limited value, once the verification letter has been placed in the individual's personnel file.</p>

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Income Taxation
Corporation Tax

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04858	<p>Corporation Processing Tax Rolls File Closed Date: 1/1/1995 (V)</p> <p>Access Restrictions</p> <p>Contents</p> <p>Retention and Disposition</p>	<p>CLOSED---This series documented all corporation transactions processed (validating number, account number, period, transaction, penalties/interest, payments, refunds issued, etc. It provided a means of verifying a filed return if the account number had changed, even before the Corporation Tax System (04861) was implemented. The tax rolls were created into four sets in which information could be researched: corporation master data by company name; master data by account number; master data by federal identification number; or master of corporate transactions. Staff often reference this information for filing histories of corporations, in their efforts to provide tax assistance or encourage compliance in tax matters.</p> <p>KRS 131.190 - Tax Information</p> <p>Series may contain: Four sets of fiche: 1) Corporation transactions processed for the year; 2) Corporation master data in alphabetical sequence; 3) Corporation master data by federal employer identification number; and, 4) Master data by state identification or account number.</p> <p>Retain permanently in agency.</p>
04859	<p>Corporation Income, Limited Liability and License Tax Return File (V)</p> <p>Access Restrictions</p> <p>Contents</p> <p>Retention and Disposition</p>	<p>This series documents the filing of all income and license tax returns and supporting schedules, extensions, payments, audits, and correspondence, as required in KRS 136.070 and 141.040. All corporations liable to taxation must file an income and license return with the Department each year. License Tax returns are not required for tax periods beginning January 1, 2005 and after. For tax period beginning on or after January 1, 2007, corporation income and limited liability entity tax returns are filed. The return reflects taxable income computation, income tax license computation, executive officers, name and address of corporation, nature of business, and other such facts required by the Department. The reports are due on or before the 15th day of the fourth month following the close of each fiscal/calendar year. As soon as is practicable after each return is received, the Department examines and audits it. If the amount of tax computed by the Department is greater than the amount returned by the taxpayer, the additional tax is assessed and a notice of assessment mailed to the taxpayer within four years from the date the return was filed, allowing for exceptions found in KRS 141.210. The time provided may be extended by agreement between the taxpayer and the Department. Companies audited may be selected from several sources or tools, e.g., pre-audit, corporate coding, and/or Fasttrieve edits, or math checks, possibly a refund request or amended return.</p> <p>KRS 131.190 - Tax Information</p> <p>Series may contain: Returns; correspondence; audits; adjustments; extensions; payment record/documentation.</p> <p>Retain in Agency then destroy seven (7) years after all account information is final, canceled, or defunct, has had no transactions except clearing card transactions, or a never liable, with a status code date greater than one (1) year, and audit.</p>
04860	<p>Tax Exemption File</p> <p>Access Restrictions</p> <p>Contents</p> <p>Retention and Disposition</p>	<p>This series documents the exempted corporations in Kentucky. Pursuant to Internal Revenue Service (IRS) Code 501, those corporations approved for exemption by the IRS are automatically granted the same status within the state(s) in which they do business. With the submission of a 501 Federal Exemption Letter and a copy of the Articles of Incorporation, these corporations do not file an income and license tax return. The corporations identified in this program are exempt.</p> <p>KRS 131.190 - Tax Information</p> <p>Series may contain: Name of entity; date of letter; reason for status, attached correspondence (IRS 501 letter, article); date of exemption.</p> <p>Destroy or delete entry when exemption status changes.</p>
04862	<p>Examinations/Appeals Program File</p> <p>Access Restrictions</p> <p>Contents</p> <p>Retention and Disposition</p>	<p>This series documents audits of Kentucky corporations by the Internal Revenue Service (IRS). The Department of Revenue uses the information to contact a taxpayer requesting a copy of the IRS Agent's Audit Report as required by KRS 141.210 (4). The Audit Report details adjustments to taxable income. Revenue compares the list of corporations registered in Kentucky with the IRS file of audited corporations. Upon receipt of the report, Revenue makes the appropriate adjustments to the Kentucky taxable income. The IRS does not take into account the potential appeals to Revenue; therefore, the agency must retain all records and reports from the taxpayer before it is determined that the audit is final.</p> <p>KRS 131.190 - Tax Information</p> <p>Series may contain: Name/address of corporation; account number; years audited; Internal Revenue Service tax assessment; comment line; IRS Final Audit Report; correspondence.</p> <p>Delete entry upon notification that the audit is final NOTE: This will include appeals to Revenue.</p>

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Income Taxation
Corporation Tax

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04863	Economic Development Tax Credit Program File (V)	This series documents those corporations that qualify for tax credits under the programs approved through the Economic Development Cabinet and pursuant to KRS 141.0205. Revenue is required to report to the Economic Development Cabinet the corporations that claim the credits and how much credit is received. Corporations have a contract or agreement with Economic Development to determine qualification. Claims are computed on the specific tax schedules for the programs participated in, which are attached to the Corporation Income and License Tax Return File (04859). Revenue staff members review and evaluate the claims for accuracy and reporting purposes.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Name of corporation; Tax computation schedules; correspondence and copy of contract/agreement regarding tax credits; amount of tax credit; name and date of Revenue employee conducting review.
	Retention and Disposition	Retain in Agency then destroy seven (7) years after all account information is final, canceled, or defunct, has had no transactions except clearing card transactions, or a never liable, with a status code date greater than one (1) year, and audit.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Income Taxation
Individual Income Tax

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04149	Individual Tax Return File	This series documents state income taxes due and the amount of refunds to filers, where applicable. These records are stored and maintained by the Division of Operations and are made available to other Divisions of Revenue. The information is also used in the collection of taxes due. Records are provided to the courts when requested.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Individual Tax Returns; copy of Federal Income Tax Return; W-2 (wage statements); Form 1099; copy of Audit Report; copy of Paid Notice of Tax Due; taxpayer correspondence.
	Retention and Disposition	Retain in Agency five (5) years, then destroy.
04150	Partnership Tax Return File	This series represents the income tax returns filed with Revenue by persons who have engaged in a business partnership in the State. These files are stored and maintained by the Division of Operations and other Divisions of Revenue have access. The information is also used in the collection of taxes due. The records are provided to the courts when requested.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Partnership Tax Returns; copy of Federal Tax Returns; Form 1099; copy of Audit Reports; copy of Paid Notice of Tax Due; taxpayer correspondence.
	Retention and Disposition	Retain in Agency five (5) years, then destroy.
04151	Fiduciary Tax Return File	This series documents income tax returns filed with Revenue by persons appointed by authority of law as fiduciaries, representing individuals, estates, and/or trusts. The files are stored and maintained by the Division of Operations and are made available to other Divisions of Revenue. The information is also used in the collection of taxes due. The records are provided to the Courts, when requested.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Fiduciary tax return; copy of Federal tax return; W-2 (wage statements); Form 1099; copy of audit reports; copy of paid notice of tax due; taxpayer correspondence.
	Retention and Disposition	Retain in Agency five (5) years, then destroy.
04636	Kentucky Estimated Tax Voucher File (V)	This series documents the payment of an individual's anticipated quarterly tax payment. The file copy may be provided by Revenue, a tax preparer, or a taxpayer service center. Taxpayers mail to Revenue one quarter's vouchers with payment each quarter. The payment is separated, deposited, and credited to the taxpayer's account in the Individual Income Tax System. After processing procedures have been completed, the voucher then is transferred to the File Room.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Installment number, calendar year/due date; information re: fiscal year filers; Social Security Number, spouse's Social Security Number; name, address; amount of payment.
	Retention and Disposition	Retain in Agency, then destroy after five (5) years or audit, whichever is longer.
04638	Notice of Tax Due (V)	This series documents the Compliance and Receivables System (CARS) printout of payment for taxes due as assessed by any of the tax program areas in Revenue. The program areas include property tax, collections, audit review, protest resolution, and any of the tax compliance areas, such as Sales, Withholding, Inheritance, Miscellaneous, and Individual Income. A pre-printed letter is generated by the Compliance and Accounts Receivable System Kentucky On-line System for Collection of Accounts Receivable (CARS/OSCAR) each month. CARS/OSCAR interfaces with all tax systems to track and control tax accounts and accounts receivable through the enforced collection process, providing taxpayer account information and generating correspondence. CARS/OSCAR crosses organizational lines, addressing delinquencies, audit selection, office audits, non-filers, and tax discovery processes.
	Access Restrictions	KRS 131.190 - Tax information
	Contents	Series may contain: Tax type; validating number; case number; taxpayer identification; notice number; period; tax amount; interest; fee; penalty; total due; name, address.
	Retention and Disposition	Retain in Agency, then destroy after three (3) years or audit, whichever is longer.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Income Taxation
Individual Income Tax

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04824	Kentucky Revenue Individual Income Tax Compliance File - (KRCIIT -- Pronounced cricket) - (Electronic) (V)	This series documents Revenue's compliance efforts utilizing Internal Revenue Service data compared against state filer information. The taxpayer's Adjusted Gross Income and the State Return should be the same as income stated in the Federal Report. In the event there is a discrepancy, a letter is sent to the taxpayer, noting the difference. Compliance measures include tracking Internal Revenue Service (IRS) adjustments and making corresponding state adjustments. Revenue also checks the compliance of those individuals that file a Federal tax return from a Kentucky address but have not filed the corresponding Kentucky tax return.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may include: Names, Addresses, Social Security Numbers, Income Information, Deductions, Correspondence.
	Retention and Disposition	Retain in Agency, then delete entries five (5) years after closure of file and audit.
04830	Employer Withholding Tax Return File (V)	This series documents the wages paid to employees and state income tax withheld as required by Revenue. Pursuant to 103 KAR 18:010, every employer incorporated in Kentucky, qualified and doing business in Kentucky, or subject to the jurisdiction of Kentucky, and making payment of wages subject to withholding, shall deduct, withhold, and pay to Revenue the required tax. Wages earned for services performed in Kentucky are subject to withholding, including corporate officers.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series contains: Kentucky Tax registration application; K-1's, Employer's Return of Income Tax Withheld; K-2, Wage and Tax Statement; K-3, Rmployer's Return of Income Tax Withheld (annual reconciliation); K-4, Rmployee's Withholding Exemption Certificate; K-1(D) or K-3(D) (bottom portion) Cancellation of Account Number.
	Retention and Disposition	Retain in Agency three (3) years. Transfer to the State Records Center for an additional four (4) years. Total retention is seven (7) years or after audit, whichever is longer.
06120	Employers' Wage and Tax Information File (V)	This series documents employees' wage and tax information provided to employees by employers and filed with Revenue. Employers' Kentucky Withholding Tax for the current tax year is reconciled with tax paid and net tax previously billed, determining a balance owed to Revenue or refund to the taxpayer.
	Access Restrictions	KRS 131.190
	Contents	Series may contain: Employer/Company name; state and federal Identification numbers, mailing address; total tax paid by tax year; if applicable, tax balance due of any outstanding bills from the Compliance and Receivables System; employee name, Social Security number; wages and tax withheld.
	Retention and Disposition	Retain in Agency and destroy paper copies after information has been entered and verified in electronic system. Retain electronic records seven (7) years from end of tax year submitted, then purge.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Legal Services for Revenue
General Counsel

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04906	Research Studies File - Tax Reforms	This series documents the research and findings of potential and enacted tax reforms, usually related to statutory changes, or enacted tax legislation. The Research Division's mission is to seek and examine information, and convey it in an efficient and impartial manner, to improve tax policy and administration, and to promote voluntary compliance with the tax laws of the Commonwealth. The studies are usually assigned by the Revenue Commissioner and often at the request of some outside authority, e.g. the Governor or the legislature. After the task force is created, a publication of the findings often completes the study.
	Access Restrictions	None
	Contents	Series may contain: Work papers; research materials; correspondence; reports; completed study.
	Retention and Disposition	Retain permanently in agency. NOTE: Copies of all publications are provided to related agencies and interested parties, including the Department for Libraries and Archives.
04907	Research Studies File - Internal Projects	This series documents research and findings that result from special internal projects. The records and data assist other Revenue employees and managers to complete reports generally sought after by senior management or other government entities. Often the information is used in presentations the Revenue Commissioner prepares and if appropriate, in the Annual Report (M0022). Also, this is dated information, used for selected time periods, which allows comparative studies to be conducted.
	Access Restrictions	
	Contents	Series may contain: Work papers; research materials; correspondence; reports.
	Retention and Disposition	Retain in Agency, then destroy ten (10) years after completion of study.
04908	Attorney's Case File (V)	This series documents the activities related to litigation brought by or involving the Kentucky Department of Revenue. It will reflect legal actions supported by the Kentucky tax laws and court decisions, as well as research and legal advice.
	Access Restrictions	KRS 131.190; KRS 61.878 (1) (k) (l)
	Contents	Series may contain: Briefs; motions; pleadings; orders; related correspondence.
	Retention and Disposition	Retain in Agency three (3) years after closure of the case. Transfer to State Records Center for five (5) years. Total retention is eight (8) years.
04909	Attorney's Case File (V)	This series documents the activities relating to litigation brought by or involving the Department of Revenue, which have significant historical or legal value, or long-term budgetary effects for the Commonwealth. The series often results in or reflects changes in tax laws and processes. The file will reflect the legal actions of Revenue supported by Kentucky tax laws and court decisions, as well as research and legal advice.
	Access Restrictions	KRS 131.190; KRS 61.878 (1) (k) (l)
	Contents	Series may contain: Motions; briefs, pleadings, work papers, final orders, related correspondence.
	Retention and Disposition	Retain in Agency four (4) years after case closure. Transfer to State Records Center for permanent retention.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Legal Services for Revenue
Protest Resolution

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04905	Audit Report and File (V)	This series documents the examination of all major tax returns to determine if the taxpayer is in compliance with the appropriate deductions or accurate reporting of income. KRS 131.130 provides that Revenue may examine and audit any return received. The audits are completed by the field staff and forwarded to the Division of Protest Resolution, Department of Law. If the amount of tax computed by Revenue is greater than the amount returned by the taxpayer, the additional tax is assessed, and a Notice of Tax Due (04638) (from CARS) is mailed to the taxpayer within four (4) years from the date the return was filed, including a copy of the audit and narrative. Pursuant to KRS 131.110, a taxpayer has forty-five (45) days to file a protest from the date of notice, including a supporting statement setting forth the grounds upon which the protest is made.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Action docket (tracking sheet); correspondence/responses; audit schedules/audit narrative (for taxpayer); audit processing form; audit report; assessment letter; credit memo (if a refund is issued)/billing sheet; copies of the tax return.
	Retention and Disposition	Retain in Agency then destroy fifty (50) years after closure of all audit and collection activities.
04910	Final Rulings File	This series documents the final rulings issued in regard to taxpayer protests. Major tax returns are audited to determine whether the taxpayer is in compliance with deduction regulations or has accurately reported income. KRS 131.130 provides that Revenue may examine and audit any return received. The audits are completed by the field staff and forwarded to the Division of Protest Resolution, Department of Law. If the amount of tax computed by Revenue is greater than the amount returned by the taxpayer, the additional tax is assessed, and a Notice of Tax Due (04638) is mailed to the taxpayer within four (4) years from the date the return was filed, including a copy of the audit and narrative. Under the terms of KRS 131.110, the taxpayer has forty five (45) days in which to file a protest from the date of notice, including a supporting statement setting forth the grounds upon which the protest is made. After considering the protest, including any matters presented at the final conference, Revenue issues a final ruling on any matter still in controversy and forwards it to the taxpayer. The ruling states that it is a final ruling, presents the issues in controversy, and Revenue's position. After a final ruling is issued, the taxpayer may appeal to the Kentucky Board of Tax Appeals, pursuant to the provisions of KRS 131.340. If the taxpayer files a timely appeal and is not satisfied with the ruling of the Board, the taxpayer may proceed through the court system.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Letter stating issues; taxpayer position; Revenue/Finance and Administration Cabinet position; copy of the Board of Tax Appeals decision, if appealed further; court decisions; applicable laws.
	Retention and Disposition	Retain permanently in agency.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Miscellaneous Taxes
Excise Tax

Record Group
Number

Series	Records Title and Description	Function and Use
05857	Transient Room Tax Monthly Return	This series documents payment of a transient room tax at the rate of one percent (1%) of the rent for every occupancy of any suite, room, rooms, or cabins charged by all persons, companies, corporations, groups, or organizations doing business as motor courts, motels, hotels, inns, tourist camps, or similar accommodations businesses pursuant to the provisions in KRS 142.400.
	Access Restrictions	KRS 131.190
	Contents	Series may include: Name and address of business, month and year tax paid, amount of tax paid.
	Retention and Disposition	Retain in Agency two (2) years; transfer to the State Records Center for three (3) years and destroy after audit; total retention is five (5) years.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Processing and Enforcement

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04670	Taxpayer Registration Application File (V)	This series documents the application and the update/cancellation form for tax registration of the following major business taxes administered by the Department: 1. Employer's Kentucky withholding, 2. Sales and Use, 3. Consumer's Use, 4. Motor Vehicle Tire Fee, 5. Transient room, 6. Corporation income, 7. Limited liability entity, 8. Utility Gross Receipts License Tax, 9. Telecommunications Tax, 10. Coal severance and processing, 11. Coal Seller/Purchaser Certificate Identification Number. The form serves as the means to obtain a Retailer's or Seller's Permit, also known as a Kentucky General Business License, as required by KRS 139.240. Proper completion of the application ensures the timely and correct establishment of tax registration businesses. Proper completion of the update/cancellation form ensure registration account information is kept current.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Employer's Tax Identification Number; Name and type of business, location and business mailing address, phone and/or fax numbers, number of employees, entity annual income and amount of taxes paid.
	Retention and Disposition	Retain in paper records in agency five (5) years, destroy. Delete electronic records four (4) years after accounts are cancelled and cleared.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Processing and Enforcement
Collections

Record Group
Number
2560

Series	Records Title and Description	Function and Use
03214	Answer and Cross Claim File (V)	This series documents all actions taken in the preparation and execution of an Answer and Cross Claim. Whenever Revenue places a legal claim against the property of a taxpayer owing taxes to the state, and the taxpayer is sued by another party, the suing party also names Revenue as a defendant because of the claim Revenue has against the property of the taxpayer. Revenue then submits the Answer and Cross Claim to the court in order to protect the state's right to the property as long as taxes are owed.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Computer printouts; payment records; answer and cross claim forms and documents; tax returns; correspondence.
	Retention and Disposition	Retain in Agency and destroy three (3) years after case closure and audit.
03215	Specific Lien Release File (V)	This series documents the actions taken in the preparation and execution of a Specific Lien Release. Whenever Revenue files a lien against the property of a taxpayer who owes taxes to the Commonwealth, the lien is placed on all property owned by the taxpayer. If the taxpayer needs to sell or otherwise dispose of a specific piece of property, and the property is not needed to protect the interest of the state, Revenue may issue a Specific Lien Release. This releases the specific property to be disposed of but maintains the lien on all other property.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Specific Lien Release application; lien release copy; correspondence.
	Retention and Disposition	Retain in Agency and destroy three (3) years after case closure, and audit.
03216	Disclaimer File (V)	This series documents the actions taken in the preparation and execution of a Disclaimer. Whenever a taxpayer is delinquent in payment of taxes to the state, Revenue places a lien against the property. If another party sues the taxpayer, Revenue may be named as a defendant in the litigation to the lien against the taxpayer's property. If Revenue does not pursue its' claim, Revenue will file the disclaimer in Court to relinquish its right to the property and ask the Court to dismiss Revenue as a defendant.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Answer and Disclaimer; Certificate of Service; court notices; copy of complaint; correspondence.
	Retention and Disposition	Retain in Agency and destroy three (3) years after case closure and audit.
03219	Proof of Claim Folder (V)	This series documents the actions of Revenue when a taxpayer files bankruptcy and owes taxes to the Commonwealth. All transactions are conducted according to Title 11 of the U.S. Tax Code (bankruptcy laws). The Proof of Claim lists all outstanding tax liabilities owed to the Department of Revenue and is submitted to the Bankruptcy Court, which lists the Department of Revenue as a creditor. The claim must be filed to ensure that the Department of Revenue receives disbursements from the court. Failure to file the Proof of Claim within the allotted time frame may lead to the Department of Revenue being barred from collecting any of the taxes due prior to the date bankruptcy was filed.
	Access Restrictions	KRS 61.878 (1) (a)
	Contents	Series may contain: Correspondence; court notices; Proof of Claim; payment records; delinquency control records; final disposition; responsive pleadings; case history; tax bills; tax returns.
	Retention and Disposition	Retain in Agency and forward documentation to the appropriate company's tax file. If no tax file exists, destroy after five (5) years and audit.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Processing and Enforcement
Collections

Record Group
Number
2560

Series	Records Title and Description	Function and Use
03223	Notice of Assessment File (V)	This series documents the service of the notice to a corporate officer regarding his personal liability for unpaid business taxes (which includes sales tax, withholding, coal, health care provider, controlled substances, and bank franchise), as well as any written protest received from the officer. Statutes for each tax type provide for holding company officers to be personally and individually liable, both jointly and severally, for the taxes imposed, and neither the corporate dissolution, nor withdrawal of the corporation from the state, nor the cessation of holding any corporate office will discharge personal liability. The personal and individual liability applies to each person holding the office at the time the taxes were liable. Once a corporate officer is notified of his personal liability, he must file a written protest to the Department of Revenue within forty five (45) days, following the statutory provisions for protest of assessments (KRS 131.110). If no protest is received within the forty five (45) day period, the taxes are final and due owing, and the Department will proceed with any administrative or judicial process deemed necessary to collect the unpaid liability.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Notice of Assessment; correspondence; documentation supporting officer positions, i.e., tax applications, returns, sworn affidavits.
	Retention and Disposition	Retain in Agency and forward documentation to the appropriate company's tax file. If no tax file exists, destroy after five (5) years and audit.
03224	Suit File	This series documents all actions taken in the preparation and execution of a suit. When taxes are owed the State, Revenue may go to court and file suit in order to collect. A Suit File is maintained to hold all information regarding the legal actions taken.
	Access Restrictions	KRS 131.190 Confidentially of taxpayer records
	Contents	Series may contain: Name and address of defendant; amount of taxes owed; correspondence.
	Retention and Disposition	Retain in Agency one (1) year then destroy after closure and audit.
03225	Judgment File (V)	This series documents actions taken in the preparation and execution of a judgment, incorporating the activities of an injunction, garnishment, attachment, judgment lien, writ of execution (a seizure of property or other assets owned by a taxpayer) and/or a lawsuit. It documents the decision of the court for Revenue and against a delinquent taxpayer. KRS 135.050 allows Revenue to prosecute the collection of all license fees, inheritance, estate, income, excise or franchise taxes, judgments or other moneys, claims or demands due the state from any person. Revenue institutes legal proceedings to ascertain the amount of tax due under any statute imposing a license, excise or income tax in favor of the state, and to enforce the collection of the amount due, including penalties and interest, and to enjoin the operation of business of the delinquent until the tax is paid. Injunctions are often used to prohibit the taxpayer from conducting business within the state. It requires the business to remain closed until the debt is satisfied or an agreement is reached with Revenue. The injunction is then lifted and the taxpayer can resume business operations. Lawsuits are initiated in individual income cases more so than business cases. Revenue may ask for an execution to proceed to claim property in this instance.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Correspondence; Collection Action Closing Form; payment record; accounts receivable processing document; liability tally sheet; payment notices; case control card; record of collection expenses disbursed/collected; case history; Notice of State Tax Lien; state claim vehicle regulation refund/release, reclamation bond/release, contract release, employed release/all of check/part of check; asset audit investigation request, Secretary of State information request; Trans Union work sheet; Dunn Bradstreet inquiry; statement of financial condition; verification of deduction of cost of coal released; pay agreement; accounts receivable maintenance form/security maintenance form; charge of accounts receivable memorandum; journal voucher; summary of judgment; court orders; certified cards (return receipts).
	Retention and Disposition	Retain in Agency and selected tax records may be forwarded to the appropriate tax file. Destroy all other documents one (1) year after case closure and audit.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Processing and Enforcement
Collections

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04651	Electronic Filing Transfer Folder (V)	This series documents the sales and use and withholding taxes paid electronically through Electronic Funds Transfer (EFT). Tax liabilities of twenty five thousand dollars (\$25,000) or more must be paid through EFT. Payments are made through an authorized third party, under a state banking contract, then credited to Revenue. These records are created daily and used to verify the beginning and ending validating numbers and final total of payments made as required by the State Auditor's Office to validate the process and processing of EFTs. Data is maintained in the Compliance and Receivables System (CARS), a system which acts as a tracking and control system for delinquent liabilities and produces a number of management reports.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Date of transaction; amount; company name; account number; tax period; due date; type of return code; type tax; tax liability; penalties and interest; grand total. Cover sheet contains beginning and ending validating number; job number; process date; time; initials; balanced yes/no.
	Retention and Disposition	Retain in Agency two (2) years; transfer to the State Records Center for three (3) years. Destroy after audit. Total retention is five (5) years.
04912	Kentucky Tax Amnesty Database - Electronic Closed Date: 12/16/1988	CLOSED--This series documented the processing of the Tax Amnesty Application filed with the Kentucky Revenue Cabinet, between September 15, 1988 through December 16, 1988. The Amnesty Program was a one-time opportunity for taxpayers to clear up their tax obligations without civil or criminal penalties, and at an interest tax rate reduced by one-half. The Amnesty Database was created to process the applications through a series of evaluations and calculations that established eligibility, taxes and/or interest due, including those that were in protest at that time. The program initially sent applications and/or amnesty packets to a "targeted" 155,000 taxpayers (including accountants, tax preparers, etc.) These letters generated applications and payments. Returned applications were sorted and processed and recorded in the Amnesty Database. The database posted a balance paid when in full, or was able to generate a tax bill if not paid in full. The Tax Amnesty Section often had to evaluate the status of some applications, determining if the tax type was eligible, whether or not the taxpayer was under criminal investigation, whether or not the returns were for a period which was jeopardy assessed, and whether or not the return was for an account with other outstanding liabilities. The database retains historical information on some taxpayers where the Cabinet benefited. It provides the Cabinet with a means of verifying that a liability was satisfied under the Amnesty Program, or not.
	Access Restrictions	KRS 131.190
	Contents	Series contains: File Layout.
	Retention and Disposition	Retain in Agency fifty (50) years and purge and delete electronic data after audit.
04913	Offer and Settlement File (V)	This series documents the settlement of past due tax liabilities of a taxpayer. KRS 131.030 (3) states that Revenue has all powers and duties necessary to consider and settle tax cases under KRS 131.110 and refund claims made under KRS 134.580. It allows delegated officials of Revenue to settle a tax liability for less than the full amount due. Revenue encourages settlement of controversies on a fair and equitable basis and is authorized to settle tax controversies based on the hazards of litigation applicable to them. The offer in settlement process is successful only when an adequate proposal is made, consistent with the ability to pay. Taxpayers are expected to provide reasonable documentation to verify their ability to pay. All required returns for the taxpayer and/or his business interests must be filed when a settlement is being considered including a Statement of Financial Condition.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Correspondence; offer application; financial statements and documentation; case summary; one copy of all bills settled; tax returns and proof of tax paid; bank statements/life insurance cash surrender and loan values; copies of deeds or instruments of ownership in real property; vehicle title; accounts and notes payable/balances due; default terms and conditions.
	Retention and Disposition	Retain in Agency three (3) years. Transfer to the State Records Center for four (4) years after payment of settlement. Destroy after audit. Total retention is seven (7) years.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Processing and Enforcement
Collections

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04914	Receipt of Land Redemptions/Certificate of Delinquency File (V)	This series documents the efforts of Revenue to collect delinquent tax bills on behalf of counties in place of the County Attorney. KRS 134.128 provides for the sheriff to sell all tax claims for which payment by a delinquent taxpayer has not been made by the closing date for the acceptance by the sheriff of offers to purchase delinquent tax claims. Upon purchase of the tax claims, the State becomes the owner of the tax bills and may contract with the County Attorney to collect all amounts due under the terms contract with Revenue to collect delinquent tax bills. If the County Attorney does not contract with Revenue, Revenue collects all amounts due on behalf of the Finance and Administration Cabinet. The County Clerk is allowed one (1) year to collect the fee.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Certificate of delinquency; change of accounts receivable and/or penalty waiver memorandum; correspondence.
	Retention and Disposition	Retain in Agency, destroy three (3) years after bill is paid in full and audit.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Processing and Enforcement
Operations

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04548	Transmittal Sheet File	This series documents the transmittal of audit and tax information entered into the Department of Information Systems' mainframe for processing. Information is identified by a control number, then batched for transmitting. The auditors compare the transmittal sheet against the Log-in Sheet File (04547) to check the control numbers or validating numbers that have been recorded.
	Access Restrictions	None
	Contents	Series may contain: Job name; generic code name; generic batch number; number of batches; unit; beginning and ending validating number (used for taxes); job number; time sent; total record count; initials of operator; record cards read and balanced; date/time/initial (when all is entered and agrees); date/time/operator (once transmitted/deleted).
	Retention and Disposition	Retain in Agency six (6) months; transfer to the State Records Center for two (2) years and six (6) months. Total retention is three (3) years or after audit, whichever is longer.
04645	Declaration for Electronic Filing (V)	This series documents Revenue's receipt of individual income tax returns which have been filed electronically. The form is mailed to Revenue within one working day of receipt of the Kentucky acknowledgement of the electronic return. Revenue sends the electronic return originator/preparer an acknowledgement of receipt of the tax return. The electronic return originator/preparer then mails the Declaration for Electronic Filing to Revenue upon receipt of the acknowledgement. An electronic return is not considered true, accurate or complete until the Declaration is received. The Declaration is treated the same as an individual income tax return.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Name; address; Social Security Number (taxpayer/spouse, if applicable); tax return information (taxable income, tax liability, withholding, estimated payments, refunded/amount owed); direct deposit of refund information (financial institution, account number, type of account); declaration of taxpayer; declaration and signature of electronic return originator/paid preparer; signature of taxpayer.
	Retention and Disposition	Retain in Agency five (5) years then destroy after audit.
04647	Electronic Funds Transfer Authorization File (V)	This series documents the registration of a business/taxpayer to electronically transfer payments for sales and use, withholding, and bank franchise taxes. Electronic Funds Transfer (EFT) is an electronic method of transferring payments between financial institutions, using the Federal Reserve and Automated Clearing House (ACH) systems. This method replaces conventional check-writing with a more efficient and accurate way to pay taxes. The EFT participant completes the authorization form to be registered with Revenue. This method does not change any of the filing requirements; however, taxpayers paying withholding taxes by EFT need not file Form K-1, Employer's Return of Income Tax Filed. EFT participants are required, however, to file Form K-1E, which is a quarterly reconciliation of monthly payments filed. EFT is mandatory for sales and use and withholding filers, if the tax liability is twenty five thousand dollars (\$25,000) or more.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Company name; phone number; fax number; tax code; Kentucky tax identification number; contact's fax number; contact name; choice of payment method; debit method - bank name, account number, phone number, routing and transit number, type of account; authorized signature; date.
	Retention and Disposition	Retain in Agency three (3) years then destroy hard copy or delete entries from automated system after audit.
04652	Daily Accounts Receivable Journal Voucher Printout (V)	This series documents the posting of payments by the Accounts Receivable Section to the proper accounts. It also is used to verify the total daily receipts (Worksheet Payment Listing (160), series 04654, processed through the Compliance and Receivables System (CARS)).
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Account number; tax type; dollar total (to be posted to appropriate posting reports).
	Retention and Disposition	Retain in Agency two (2) years; transfer to the State Records Center for three (3) years. Destroy after audit. Total retention is five (5) years.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Processing and Enforcement
Operations

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04809	Tax Refund File (V)	This series documents approvals for refunds for individual income, business (corporation, sales and use, and withholding), and miscellaneous tax refunds. Once an agency examiner or auditor determines that a taxpayer is eligible for a refund, it is approved through a supervisor hierarchy, dependent on the refund amount.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Name, Address, Social Security Number or State Tax Number; amount of refund; correspondence.
	Retention and Disposition	Retain in Agency twenty (20) years; delete entries after audit.
04811	Sales Tax Turn-Around Document File (V)	This series documents adjustments made to a taxpayer's Retail Sales and Use Tax Return in the Sales Tax System (STS) due to errors on returns. The STS has edit capability that will match and balance the information entered. When data is entered from the Retail Sales and Use Tax Return File (04835) and the calculations do not balance, the system generates the Sales Tax Turn-Around-Document (TAD), i.e., when there is an underpayment of \$1000 or more on a payment due. The TAD is sent to the Sales and Use Tax Compliance Section to be worked and corrected with the taxpayer. It is then returned to the Division of Revenue Operations, the point of origination, and updated in STS.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Account number; period ending; key; validating number; date report created/current date; name; type file; payment method; date due; problem; total receipts (sales/trade-in/service/returned merchandise/discounts; other); total deductions; net receipts; taxable receipts; amount subject to use tax; total taxable amount; sales/use tax; compensation; tax due; credit claimed; net tax due; penalty/interest; amount paid on return; other credits; amount underpaid/overpaid; billing memo tax amount; bill error code(s); action code; examiner code.
	Retention and Disposition	Retain in Agency seven (7) years then destroy after audit.
04812	Corporation Processing and Extensions Card File (V)	This series serves as an administrative tool to process information from a Corporation Income and License Tax Return File, Corporate Income Tax and Limited Liability Entity Tax (LLET), Series 04859, to the Corporation Tax System. The Corporation Tax Section takes the information from the tax return for data entry to speed up the information entry process.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Account number; period ending; transaction code; Receipt Method Code; late date; validating number; amount--income tax, income penalty and interest; license tax, license penalty and interest; remittance.
	Retention and Disposition	Retain the Corporation Card File in agency for three (3) years and the Extensions Card File for five (5) years; destroy after audit.
04813	Pay-In Voucher/Header Book (V)	This series documents money deposited into receipt accounts and funds of state government. The listing identifies each pay-in voucher with amounts deposited. A printout is provided by system operations after money is entered and posted through the Revenue Clearing Account. A voucher is created from the Remittance Processor tape, electronic transfer document or calculator tape (paper) and verified with the Treasury Department or Automated Clearinghouse (ACH) documents for motor vehicle usage tax.
	Access Restrictions	None
	Contents	Series may contain: Agency identification/codes; fund name; object code (identifier to account); supporting documents; dollar amount; validating number (assigned by Revenue).
	Retention and Disposition	Retain in Agency three (3) years, transfer to the State Records Center for four (4) years. Destroy after audit. Total retention is seven (7) years.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Processing and Enforcement
Operations

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04814	Remittance List File (V)	This series documents individual business payments to or other transactions involving the Department of Revenue, associating each payment with a validating number and verifying tax account payments. This is the only documentation that aids in finding or matching payments to an account, e.g., an audit shows a non-payment yet an organization or individual can provide a canceled check as proof of payment.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Account number; tax period; tax type; payment amount; validating number; tax liability; penalty and interest, if applicable; return code (pay, no-pay, late, etc.).
	Retention and Disposition	Retain in Agency ten (10) years; destroy after audit.
04815	Accounts Receivable Processing Document File (V)	This series documents the tax offsets or refunds (or partial refunds) that are due a taxpayer. It also documents whether tax payments are applied to a different account. A taxpayer can have a payment offset and still be due a refund. The tax areas can only accept payments for one tax period at a time. The proper payment will be applied to the offset or tax period and the balance refunded. In the event a payment is separated from a return, and the payment is not credited to the taxpayer, the taxpayer may receive a bill. Once the check is located, the Accounts Receivable Processing Form is used to apply the payment to the proper account.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Identification number; tax type; name; street; city/state/zip code; period ending; county; business; type return; file reference; net tax; penalty/interest; total paid.
	Retention and Disposition	Retain in Agency one (1) year; destroy.
04816	Daily Deposit Transmittal Sheet File (V)	This series documents the recap for the pay-in-voucher for money deposited into each fund/account. The voucher details money to be directed into particular accounts. The transmittal sheet provides dollar totals. Revenue staff initiate and send the transmittal with the checks to the Treasury Department. Afterwards, the voucher is prepared with checks and sent to the Treasury Department where deposits are balanced.
	Access Restrictions	None
	Contents	Series may contain: Pay-in-voucher; amount total; fund (general, Transportation, agency, other expendable trust, special deposit, trust fund).
	Retention and Disposition	Retain in Agency three (3) years then destroy after audit.
04817	Instruction Request for Application (V)	This series documents the instructions to processing a tax payment and its appropriate application when lost or separated from the tax return. The instructions will come to or from a tax area. It is imperative that monies received are processed as expeditiously as possible so instructions are handled promptly in most cases.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: (Addressed) to; date; name of taxpayer; note stating that Revenue Accounts is holding original of check, please advise how payment should be processed: process on the attached statement/document, return to taxpayer with attached letter, (write-in); or, process as indicated--identification number/tax type/notice number/do not rebill.
	Retention and Disposition	Retain in Agency three (3) months, then destroy.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Processing and Enforcement
Operations

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04818	Daily Revenue Detail List Printout File (V)	This series documents the reconciliation of receipt accounts with the Division of Accounts, Finance and Administration Cabinet. It is critical that Finance know what is available to spend, based on receipts posted. Also, the Governor's Office for Policy and Management and the Office of Financial Management and Economic Analysis, Finance and Administration Cabinet, need accurate reports of receipt balances each month. This report is reviewed daily and monthly reports provide a cumulative balance of the current and previous months of the fiscal year.
	Access Restrictions	None
	Contents	Series may contain: Receipt account number; date of report, date of entry; pay-in-voucher number posted; journal voucher number; refund issued; prior months' balance; detail of activity to receipt account for each day of the month.
	Retention and Disposition	Retain in Agency seven (7) years then destroy after audit.
04820	Check Register File (V)	This series documents the issuance of a refund check to a taxpayer. The tax systems will reflect check issued on-line, as will CARS/OSCAR and the on-line Business Tax Refund System. It is used to balance and reconcile with Division of Accounts, Finance and Administration Cabinet, or within the Receipt Accounts Posting System when the refund has been issued but not posted correctly.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Check number; name; address; amount of refund; validation number.
	Retention and Disposition	Retain in Agency five (5) years; destroy after audit.
04821	Refund Correspondence File	This series provides supporting documentation and correspondence to refunds issued to taxpayers by Revenue. When an overpayment or payment where no tax was due has been requested by a taxpayer and supported by Revenue documentation, a refund or financial restitution is processed. The correspondence may be filed with the tax return or filed separately, but is retained to verify transactions related to the refund. The information also assists an auditor or investigator, if required, and supports information not included on the On-Line Business Tax Refund System.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series contains: Correspondence related to tax refunds.
	Retention and Disposition	Retain in Agency two (2) years. Transfer to the State Records Center for three (3) years. Destroy after audit. Total retention is five (5) years.
04822	File Request by Employee	This series allows an employee to electronically request a tax return, folder, and/or other documents stored in Revenue's Central File Room. It generates an outcard that is placed into the paper file. It retains a record of the employee responsible for requesting, receiving, transferring, and returning the file information. It tracks the status of requested files. The Compliance and Taxpayer Assistance Division, Department of Tax Administration, makes the most use of the tax returns filed in Central Files. The returns are used to verify filing, to match with federal filings, audits, taxpayer assistance, and various correspondence requirements. The system can report how many files are sent each day, how many are retrieved, and how many have been purged, upon receipt by the Central File Room.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Name of employee requesting file; file(s) requested; date requested and returned, Division requesting file and purpose.
	Retention and Disposition	Retain in Agency and delete request entry upon return of the file to the Central File Room.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Processing and Enforcement
Registration and Data Integrity

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04839	Discovery and Federal Discovery File (V)	This series documents the activities and transactions of Revenue's discovery efforts using various sources of information from federal, state and local agencies as well as third party information to locate and bring into compliance taxpayers who are not properly registered for tax accounts. Compliance taxpayers apply for the accounts using the Kentucky Tax Registration Application (Series 04670). When a non-filer is registered and entered into the Revenue systems, normal compliance and collection procedures are used for monitoring the activities and transactions. The Internal Revenue Service (IRS) also provides information per exchange agreements between the Commonwealth and IRS.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Business name, address, type of business, phone number, tax identification number, correspondence, tax amount, source of case information.
	Retention and Disposition	Retain in Agency ten (10) years, then delete entries.
04997	Lottery Vendor Application File (V)	This series documents the review and approval, or rejection, of vendors applying to the Lottery Corporation to sell lottery tickets in their respective businesses. The vendors must have a tax clearance from the Department of Revenue before the Lottery Corporation can approve the application to participate in the program. Vendors must submit a re-application every two (2) years. KRS 154A.400 (1) (b) provides that the applicant be "current in filing all applicable returns and in payment of all taxes, interest and penalties owed to the Commonwealth of Kentucky, excluding items under formal appeal pursuant to applicable statutes." The Department of Revenue verifies that there are no outstanding tax filings or liabilities. The vendor must remain in good standing with Department of Revenue in order to continue to sell Lottery Corporation products.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Retailer application (by the Lottery Corporation); name of business; address; Federal Employer Identification Number; Kentucky sales tax number; products to sell (on-line tickets, instant tickets, pull tabs); type of business (sole proprietorship, corporation, partnership, etc.); list of officers; directors; relationship to retailer; licensing/bond fee; type of business (grocery, service station, drug store, convenience store); correspondence (letter requesting tax filings, if needed, letter of compliance); tax filings, or copies thereof; examiner notes; tax printouts.
	Retention and Disposition	Retain in Agency and destroy paper records after four (4) years; delete electronic records four (4) years after last clearance request.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Property Valuation

Record Group
Number
2560P

Records Title Series and Description	Function and Use
05861 Property Tax Exemption for Non-Profit other than Religious Organizations (V)	<p>This series includes the completed forms and records used by organizations applying for a property tax exemption as a public agency, educational institution, purely public charity or other type of entity pursuant to Section 170 of the Kentucky Constitution. Each file contains the review process each applicant undergoes and a copy of the determination letter. This series also contains appeals and/or litigation, if applicable. This series does not include religious institutions.</p>
Access Restrictions	KRS 131.190
Contents	<p>Series may include: Application for Exemption from Property Taxation (Form 62A023) and supporting documentation such as Articles of Incorporation, financial statements, determination letters from the Internal Revenue Service, brochures and pamphlets which describe the applicant's activities, legal opinions and various forms of correspondence, a determination letter to the applicant and if applicable, documentation regarding legal proceedings.</p>
Retention and Disposition	Retain in Agency and destroy three (3) years after the entity's property tax exemption status no longer applies as determined by the Property Valuation Administrator.
05862 Property Tax Exemption for Religious Organizations (V)	<p>This series included the completed forms and records used by religious organizations applying for a property tax exemption as a public charity pursuant to Section 170 of the Kentucky Constitution. Each file contains the review process each applicant undergoes and a copy of the determination letter. This series also contains appeals and/or litigation, if applicable.</p>
Access Restrictions	None
Contents	<p>Series may include: Application for Exemption from Property Taxation (Form 62A023-R) and supporting documentation such as Articles of Incorporation, financial statements, determination letters from the Internal Revenue Service, brochures and pamphlets which describe the applicant's activities, legal opinions and various forms of correspondence, a determination letter to the applicant and if applicable, documentation regarding legal proceedings.</p>
Retention and Disposition	Retain in Agency and destroy three (3) years after entity's property tax exemption status no longer applies as determined by the Property Valuation Administrator.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Property Valuation
Executive Director

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04678	<p>Property Valuation Administrator Examination File (V)</p> <p>Access Restrictions</p> <p>Contents</p> <p>Retention and Disposition</p>	<p>This series documents the exam given to all property valuation administrator (PVA) candidates, as required by KRS 132.380. Before an individual's name can appear before the voters on election day as a candidate for PVA, except as a candidate to succeed himself in office, or before being appointed PVA, he must hold a certificate issued by the Department of Revenue showing that he has taken the examination and is qualified for the office. All certificates issued expire one year from the date of issuance. Examinations are given and graded in accordance with rules of the Cabinet, published at the time of the examination. Within ten days after the examination, a certificate of fitness and qualification to fill the PVA office is issued to each person passing the examination. The exam is given once every four years, except when there is a vacancy in the office to be filled by appointment or by election, and there is not more than one person holding a valid certificate who is eligible for appointment or election. The Department of Revenue may then hold a special examination for applicants seeking a certificate for the office.</p> <p>KRS 61.878 (1) (g) - Test Information</p> <p>Series contains: Examination questions.</p> <p>Retain in Agency one (1) year then destroy.</p>
04679	<p>Property Valuation Administrator Examination and Answer Sheet File (V)</p> <p>Access Restrictions</p> <p>Contents</p> <p>Retention and Disposition</p>	<p>This series documents the examination results given once every four years, or as needed, to property valuation administrator candidates, as required in KRS 132.380. It includes all of the exam answer sheets, registration forms, pass/fail rates, and any supporting correspondence.</p> <p>KRS 61.878 (1) (a) - Test Scores</p> <p>Series may contain: Examination; answer sheets; registration forms; rules; pass/fail rates; correspondence.</p> <p>Retain in Agency one (1) year then destroy.</p>

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Property Valuation
Local Valuation

Record Group
Number
2560

Series	Records Title and Description	Function and Use
03728	<p>Report of Land Redemptions</p> <p>Access Restrictions None</p> <p>Contents Series may contain: Name of taxpayer; year; tax bill number; district; amount; date of tax sale; total amount paid.</p> <p>Retention and Disposition Retain in Agency three (3) years. Transfer to the State Records Center for nine (9) years, then destroy. Total retention is twelve (12) years.</p>	<p>This series represents a listing of the different tax bills for real estate sent every month to the Department of Property Valuation from the county clerks. This report shows the tax bills that were paid for that month. The report is used to verify taxes are being paid so the taxpayer is not billed twice for the same taxes.</p>
03729	<p>Sheriffs' Collections and Correspondence File</p> <p>Access Restrictions None</p> <p>Contents Series may contain: Certification; receipt of tax bill; copy of omitted assessments; monthly collections report; list of exonerations; list of land redemptions; list of land sales; list of delinquent taxes; worksheet; quietus; correspondence.</p> <p>Retention and Disposition Retain in Agency three (3) years. Transfer to the State Records Center for nine (9) years, then destroy. Total retention is twelve (12) years or after audit, whichever is longer.</p>	<p>This series documents the collection of taxes by the sheriff of each county in Kentucky. Pursuant to KRS 134.325, each sheriff makes his settlement with the Department of Property Valuation for all taxes collected for the Commonwealth before June 1 of each year. Included in each sheriff's settlements are lists of uncollectable delinquent taxes. These are matched to the taxes collected to make sure each sheriff has collected the taxes correctly.</p>
03732	<p>County Ratio Report File</p> <p>Access Restrictions None</p> <p>Contents Series may contain: Date executed; county (property location); seller's name and address; purchaser's name and address; description of property; date of previous sale; previous sale price; consideration; conditions of sale; was personal property included; affidavit; assessment record; tax roll identification; deed book page number and date recorded; tax; number of acres; number of lots; total sale price; signature; notary signature.</p> <p>Retention and Disposition Retain in Agency two (2) years; transfer to the State Archives Center for permanent retention.</p>	<p>This series documents detailed information on property sales and transfers from one individual to another within each county in Kentucky. The information is sent to Revenue by local Property Valuation Administrators. It allows for the tracking of property sold and transferred across the state.</p>

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Property Valuation
Local Valuation - Certification

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04681	County Recapitulation File (V)	This series documents an annual record of the tax roll from each county that includes additions to or deletions from the previous year's tax roll, records of the Board of Assessment Appeals, Property Valuation Administrator's (PVA) final recap, the certification, and some PVA correspondence. This information is used as a basis for the annual tax tables. The Recap File reflects the assessment of property by types and taxing districts. Revenue directs the PVA on any changes that need to be made to the assessment. The recap is sent to Revenue for certification. At the time the PVA submits the property recapitulation to Revenue, a copy also is submitted to the county judge/executive, the treasurer or chief officer of each special district in the county, the chief administrative officer of the urban-county government, and the superintendent of each local school district in the county.
	Access Restrictions	None
	Contents	Series may contain: Record of additions and deletions; assessment measurements; property valuation administrator's summary of tax roll changes; assessment totals for each category; correspondence; date; comparison of current recap to prior year's recap.
	Retention and Disposition	Retain in Agency seven (7) years Destroy after audit. Total retention is seven (7) years.
04706	Claims for Preparing Tax Bill File	This series documents claims for payment for preparation of a tax bill by the County Clerk. The Clerk's Office prepares the tax bills. Revenue reimburses the County Clerk for his costs in preparing the tax bills. (The State pays half and the County Clerk pays the other half.) The reimbursement claim is prepared once each year.
	Access Restrictions	None
	Contents	Series may contain: Clerk; county; address; voucher number; account number; disburse dollars; Year; total number of tax bills prepared; total dollars; certification cost; certification statement, signature of County Clerk; notarization; approval/date/signature of County Accounting/County fee systems and appropriate agency head for Finance and Administration Cabinet, Revenue.
	Retention and Disposition	Retain in Agency five (5) years then destroy after audit.
04707	Order of Allowance to the Board of Assessment Appeals File	This series documents the payment or allowance to the members of the Board of Assessment Appeals and county clerks for their services in hearing appeals and reviewing tax assessments. Board members often travel to various areas of the State to hear appeals. The appeals process begins with a conference with the PVA and the property owner. If an agreement is not reached, the next step available to the property owner is to file an assessment appeal with the County Clerk's office, which then schedules a hearing with the Local Board of Assessment Appeals (LBAA). If the property owner is not satisfied with the decision of the LBAA, the appeal process is continued at the state level by filing an appeal with the Kentucky Board of Tax Appeals (KBTA). The KBTA notifies the property owner and PVA by mail of the time and location of the appeal hearing.
	Access Restrictions	None
	Contents	Series may contain: Name of county court; names of members to be reimbursed; days served; rate per day; total compensation; State's share; totals; certification by Judge/Executive and County Clerk; statement regarding rate per day; copy of minutes of the Board of Assessment Appeals.
	Retention and Disposition	Retain in Agency three (3) years then destroy after final resolution and audit.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Property Valuation
Minerals Tax and GIS Services

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04758	Natural Gas and Natural Gas Liquids Tax Return File (V)	<p>This series documents the monthly filing of taxes for severed or processed natural gas resources applied to the gross value of the natural or liquid gas severed or processed. If an individual or business severing and/or processing natural gas sells the gas to the consumer, or if Revenue determines that collection of the taxes would be more efficient through the severer and/or processor remitting the taxes, the first person to purchase the natural gas after it has been severed and/or processed is liable for the collection of the tax imposed and remitting it to Revenue. If an individual sells directly to the consumer, the person severing/processing the natural gas is liable for the tax imposed. The Department, through its Economic Development Fund and Economic Assistance Fund, distributes the money to counties where the resources are produced.</p> <p>Access Restrictions KRS 131.190 - Tax Information</p> <p>Contents Series may contain: Name and address; account number; tax code; time period; county code; due date; business code. Part I--natural gas/gas liquids extracted by taxpayer (gross value, taxable gross value--schedules A and B); Part II--gas purchased by taxpayer (gross value--Schedule C); Part III-tax due computation; request for cancellation of registration.</p> <p>Retention and Disposition Retain in Agency seven (7) years then destroy after audit.</p>
04759	Minerals Tax Return File (V)	<p>This series documents the monthly filing of taxes for severed or processed minerals (limestone, rock, gravel, sand, etc.), except for qualified exemptions described in KRS 143A.030-.037. Revenue is authorized to regulate, collect, and refund taxes levied by KRS 143A.020. A Certificate of Registration is filed and signed by the owner, partner, an executive officer, or a person specifically authorized within the corporation. If a taxpayer fails to comply with the provisions of the statute, Revenue may suspend or revoke the Certificate of Registration. The Commonwealth may bring an action for a restraining order or a temporary or permanent injunction to restrain or enjoin operation of a business operating without a Certificate of Registration. After returns are received, the Revenue staff examine and audit the information. Revenue, through its Economic Development Fund and Economic Assistance Fund, then distributes the money to counties where the resources are produced.</p> <p>Access Restrictions KRS 131.190 - Tax Information</p> <p>Contents Series may contain: Name and address; account number; tax type; time period; county code; due date; business code. Part I--minerals severed in Kentucky by taxpayer and sold or used without processing (Attach Schedule A); Part II--minerals severed in Kentucky by taxpayer and sold or used after processing; Part III-minerals purchased from others and processed by taxpayer (Schedule B); Part IV-tax due computation (Schedule C); taxpayer signature, title, date.</p> <p>Retention and Disposition Retain in Agency seven (7) years; then destroy after audit.</p>

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Property Valuation
Minerals Tax and GIS Services - Field Mapping

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04682	Property Tax Map File (V)	<p>This series documents the maps of real property under the administrative responsibility of the county Property Valuation Administrator. The mapping system is the key to an efficient and fair real property tax administration. The maps and property records provide an inventory of the parcels of land and improvements within the assessment jurisdiction. Property identification maps are indispensable for periodic revaluation and show the boundary lines of each parcel of property, thus displaying location, shape, and relationship to other parcels and to the various physical and cultural features that may have significant influence. Budget constraints in the 1950s mandated a withdrawal from standard appraisal techniques. Throughout the 1960s and 1970s, only property boundaries were distinguished on aerial photos, supplemented by the acquisition of basic census-type information related to property size and ownership. The 1980s brought about a partial resurgence of past appraisal techniques. Micro-computerization has been introduced, thus allowing vast quantities of information to be condensed, compiled, and stored with relative ease. If the original mapping system has not been properly maintained in the county, a certain amount of field review is necessary to establish a new parcel numbering sequence. As parcels are transferred, some type of mark is placed inside the original parcel, ensuring total parcel transition. Additionally, the original map and parcel numbers are placed inside the parcel on the new map. This series also includes Geographic Information System maps.</p> <p>Access Restrictions None</p> <p>Contents Series contains: Maps.</p> <p>Retention and Disposition Retain permanently in Property Valuation Administration Office.</p>
04683	Mapping Project File (V)	<p>This series documents the status of mapping project activities of Kentucky counties on a continuing basis. As required by KRS 132.670, the biennial projects are completed by field representatives who review the map information of the PVA office to determine if the Mapping Project meets prescribed methods and specifications set by Revenue. Accurate and up-to-date maps are the key to efficient and fair real property tax administration. The objective is to prepare current and detailed maps identifying every parcel of real property.</p> <p>Access Restrictions</p> <p>Contents Series may contain: Working papers; audit reports (account number, type, owner(s), parcel identification, summary card, map card, photo status, building sketch, acreage, polycon, record status, parcel status); rating review; mapping records; deed (book) information; map audit, statistics; statement of value; correspondence.</p> <p>Retention and Disposition Retain permanently in Property Valuation Administration Office.</p>
04708	Mapping Audit File (V)	<p>This series documents the biennial review and evaluation of standard mapping practices of the Property Valuation Administrator's Office (PVA) by Revenue. Sixty (60) counties are audited each year. As required by KRS 132.670, Revenue prepares detailed maps identifying every parcel of real property within each county. The maps and accompanying property records provide an inventory of the parcels of land and improvements within the assessment jurisdiction. Maps are a graphic representation of the tax roll and the means of insuring that all parcels of taxable real property are assessed, but not assessed twice. No tax roll listing should be made unless the parcel has been correctly mapped. Field staff prescribe methods and specifications for the mapping of property. The quality of the maps and ownership records in each county are reviewed. If, in the first review conducted, the maps and records fail to meet minimum standards, Revenue assumes the responsibility for remapping and updating. A primary deficiency is an outdated property record card where property characteristics are lacking, i.e., acreage has changed or is incorrect, outdoor buildings are not identified. The file includes some history of the project, identification of parcels, reports of the project supervisor, and a listing of discrepancies.</p> <p>Access Restrictions None</p> <p>Contents Series may contain: Production report; copies of time sheets; correspondence; monthly reports; final report; newspaper clippings of project.</p> <p>Retention and Disposition Retain permanently in agency.</p>

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Property Valuation
Minerals Tax and GIS Services - Mineral Assessment Compliance

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04689	Protest File (V)	This series documents the resolution of differences with a taxpayer, due to the assessment of property. KRS 132.820 provides Revenue with the authority to assess the levy of the ad valorem unmined minerals tax for county, school district and all special taxing district purposes. Upon receipt of the property tax return, an assessment is made and mailed to the taxpayer. The taxpayer has forty five (45) days to submit an appeal protesting the assessment, as outlined in KRS 133.120. The majority of the protests are resolved within the agency, or, if appealed, by the State Board of Tax Appeals. The protests must be filed in writing and are often resolved by corresponding with the taxpayer. The taxpayer can request a hearing if he or she is not satisfied with the written resolution.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Assessment; correspondence (protest, follow-up); printouts with property information.
	Retention and Disposition	Retain in Agency then destroy five (5) years after closure and audit.
04690	Exoneration File (V)	This series documents the review and agreements between the taxpayer and the Kentucky Department of Revenue for the payment or non-payment of a tax bill. As permitted by KRS 133.110, the bill is exonerated or invalidated because: 1) the Department of Revenue was in error; 2) it was a duplicate assessment, possibly going to both the owner and a lessee; or 3) the tax bill is voided. All corrections and changes determined to be invalid are rescinded. Any taxpayer affected by the rescission is not subject to additional penalties.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Correspondence; copy of letter to sheriff; original assessment/revised assessment.
	Retention and Disposition	Retain in Agency then destroy five (5) years after closure and audit.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Property Valuation
Minerals Tax and GIS Services - Mineral Resource Valuation

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04684	Unmined Coal Property Tax Return File (V)	This series documents the information regarding property on unmined coal for the purpose of valuation, assessment, and billing. As required by KRS 132.820, the Department of Revenue is to value and assess unmined coal or energy resources which are owned, leased at no more than fair market value. The tax return is submitted annually to the Department of Property Valuation by April 15. Upon completion of the valuation process, an assessment notice is mailed. (The tax bill is mailed by the sheriff of each county.) Corporations, partnerships, individuals or other entities (natural or legal) must file the return. Information relates to mining activity, mining permit changes, additional geological information available which increases or decreases mineable acres, changes in lease terms, lease expirations, etc. New or revised maps (as specified in the instructions) must be filed indicating changes. Schedules filed with the return include ownership and lease information, property transfers, parcel specific seam information, and an agreement statement for multiple parcels.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Tax return and schedules; reports from the Department of Mines and Minerals or Department of Surface Mining, regarding ownership, permits, etc.; comparisons from information on Geographic Information System; omitted tax bills as needed.
	Retention and Disposition	Retain maps permanently. Destroy tax return ten (10) years after audit. NOTE: Maps may be transferred to the State Archives Center when no longer needed administratively.
04685	Geographic Tax Information File (V)	This series documents the valuation, and assessment of unmined coal, oil, gas, and other mineral or energy resources, and generates the appropriate bill to the taxpayer. It provides access to digitized maps, and the ability to integrate spatial and attribute data among various layers. It provides an equitable and efficient manner in assessing subsurface property (mineral rights). A Supreme Court decision (Gillig vs. Yount) mandates that unmined minerals be taxed at the level of other real property. The Geographic Information System (GIS) utilizes several pieces of equipment and types of software to accomplish this, each with a specific task to perform. Oracle maintains data related to the owners, lessees, or sublessees, tax returns, assessments (and assessment notices), omissions, and history. It provides the comparison reports used in valuating information recorded on the tax returns. It interfaces with ArcGIS for spatial and attributed data. EarthVision and Stratifact work to provide the model of surface contours and do the volumetric calculations of assessment and interest, which is especially valuable for omitted property calculations.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Property Location; tax assessment amount; Property owner name; address, Social Security Number; Correspondence.
	Retention and Disposition	Retain data elements and tables linked to digitized maps permanently.
04687	Clay or Limestone Property Tax Return File (V)	This series documents the tax return filed annually for the assessment of minerals on property owned, leased, and/or sold, both undeveloped or produced, for the prior year. As required by KRS 132.820, the Department of Revenue assesses minerals owned, leased, or otherwise controlled from surface real property at no more than fair market value. Minerals and energy resources are valued as a distinct interest in real property, separate from surface real estate. The return is submitted by April 15 each year. After the valuation has been fixed, the Department of Revenue certifies to the County Clerk the amount liable for county, city, or district taxation. Billing is then generated from the Oil, Gas, and Mineral Assessment System. The notification, protest, and appeal of assessments can be filed in accordance with KRS 131.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Property identification and characteristics; assessment of property.
	Retention and Disposition	Retain in Agency seven (7) years then destroy after audit.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Property Valuation
Property Valuation Administrator

Record Group
Number
2560

Series	Records Title and Description	Function and Use
03366	Property Tax Roll	This series documents the official assessment record of ad-valorem taxes, which includes any real and personal property. The Property Valuation Administrator (PVA) must prepare the tax rolls in legible form according to taxing districts and make additions to each column to show the aggregate amounts, value, and number of each column on the tax roll, before it is sent to the County Clerk's office for the preparation of the tax bill. All personal and real property of every kind must be separately stated and valued in the appropriate column of the tax roll and if there is no appropriate column, it must be valued and stated in a miscellaneous column. NOTE: As required in KRS 133.047, the property tax roll, or a copy of the property tax roll, is to be retained in the PVA office for maintenance as an open public record for a period of five (5) years. After such time the tax roll is to be forwarded to the respective County Clerk for long term maintenance. OAG 61-831 states "the county clerk, rather than the tax commissioner (now property valuation administrator), is the proper custodian of the completed tax roll."
	Access Restrictions	None
	Contents	Series may contain: Taxpayer's name; property identification number; address; account number; assessed value; miscellaneous; location; homestead exemption; agriculture exemption; sale date; book; page; date.
	Retention and Disposition	Retain in local Property Valuation Administrator Office five (5) years, transfer to the respective County Clerk's Office for permanent retention (L1433).
03367	Application for Exemption Under the Homestead Amendment (V)	This series documents the application that is filed with the Property Valuation Administrator (PVA) when applying for a homestead exemption. Homeowners who have reached the age of sixty five (65) years or over are eligible to receive an exemption on their main residence. Homeowners who are totally disabled can also receive an exemption using this application. The application/affidavit must be submitted, between January 1 and March 1 of the year in which the exemption is sought, to the PVA in the county in which the residential unit is located, or by December 31, if applying for disability. Every person filing for the homestead exemption who is totally disabled and less than sixty five (65) years of age must apply for it. The exemption is renewed annually, upon receipt of the Proof of Disability for Homestead Exemption (05012) from the Social Security Administration, other public/private retirement system, or similar supplemental income agency. A person must be classified as totally disabled under a program authorized by any public or private retirement system. The applicant must have maintained the disability classification for the entire year. The amount of the exemption is adjusted every two (2) years and must not exceed the assessed value of the home. If the exemption exceeds the assessed value, the exemption amount is for the assessed value. The application is kept in the County PVA offices and updated as changes occur or until the taxpayer reaches the age of sixty five (65) years.
	Access Restrictions	KRS 61.878 (1) (a) re personal information
	Contents	Series may contain: County; date submitted; name of owner(s); name of applicant; date of birth; Social Security Number; relationship to other occupants; address; location; description; type of residential unit; type of ownership; amount of exemption; Affidavit and Oath; signature of spouse; date; signature of Property Valuation Administrator and date.
	Retention and Disposition	Retain in Property Valuation Administrator Office then destroy five (5) years after the death of a taxpayer or a taxpayer reaches age sixty-five (65) or the transfer of ownership of property.
03368	Application for Valuation, Assessment and Taxation Under the Agriculture and Horticulture Land Use Act Closed Date: 1/1/2001	Closed Series: This series documented the application that was filed with the Property Valuation Administrator (PVA) when applying for an agriculture or horticulture exemption. Any landowner owning a tract of land at least 10 acres in area, exclusive of land used in conjunction with the farmhouse, that was used for agricultural purposes or for the growing of merchantable timber, or a landowner owning a tract of at least five acres in an area commercially used for the cultivation of a garden, orchard, or the raising of fruits, vegetables, flowers or ornamental plants was eligible for an exemption. On or before March 1 of any year the owner(s) of the land devoted to agricultural or horticultural use on which the PVA had placed a value in excess of the agricultural or horticultural value, could file application for valuation at the agricultural or horticultural value. The application was made with PVA in the county in which the land was located. Agricultural or horticultural value means a combination of representative sales prices of comparable land purchased for agricultural or horticultural use, with consideration being given to the purpose of purchase, such as improved accessibility and other like factors unduly influencing the sale price, and agricultural use value based on the income-producing capability arrived at by use of Soil Conservation Service land use classifications. The series was valid until the property was transferred or the land use was changed.
	Access Restrictions	None
	Contents	Series may contain: County; owners of land for which application is made; land location; description of land; land classification; number of acres; tobacco poundage; total devoted to agriculture or horticulture use; total acres used for pasture hay; total acres used for woodland, wasteland; date; signature of landowner(s); name of corporation; signature of corporate officer and title; date and signature of Property Valuation Administrator.
	Retention and Disposition	Retain in Agency, and destroy five (5) years after notification of transfer of property or the land use changed and audit.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Property Valuation
Property Valuation Administrator

Record Group
Number
2560

Series	Records Title and Description	Function and Use
03369	Tangible Property Tax Return File	This series documents the listing of tangible personal property with the Property Valuation Administrator (PVA) each year. Tangible property is property other than real estate, such as automobiles, boats, machines, business furniture and fixtures, livestock and all other goods and chattels. Persons owning or having any interest in tangible property are to list or have listed such property with the PVA in the county where the property is located, between January 1 and March 1 of each year. The listing is used to determine the tax assessment, from which the amount of tax on the property is assigned.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Taxpayer name, address, county, district, Social Security Number; travel trailers; motor homes; total; age; make; model; timber rights; aircraft; watercraft; description; professional trade tools; drilling, mining and construction equipment; other tangible personal property; total; tangible personal property subject to limited rates; signature of taxpayer; signature of PVA or Deputy; date of filing.
	Retention and Disposition	Retain in Property Valuation Administrator Office twelve (12) years then destroy after audit.
03371	Tax Assessment and Appraisal Card File	This series documents taxable property and its value to aid the Property Valuation Administrator (PVA) in determining the assessment of the property for tax purposes. The cards may be of various colors to represent the different classes of property. The classes of property include commercial and industrial, farms, residential, and exempt. Exempt property would include churches, schools, etc. Taxable property includes tangible, intangible and real property.
	Access Restrictions	KRS 61.878 (1) (a); OAG 77-99-Personal Information
	Contents	Series may include: County; district; taxpayer address, identification number; Deed Book, page; year sold; lot and block/acreage; land; improvements; total value; oil; gas; minerals; taxable real estate; taxable unmined coal; motor vehicles; travel trailers; motor homes; aircraft; watercraft; finished goods; business furniture/fixtures; trade tools/equipment; drilling/mining/construction equipment; other tangible personal property, total subject to full rates; notes/mortgages; stocks; bonds; insurance benefits; total assessment; unmanufactured agricultural products; bank shares; taxpayer signature; building photo; record of ownership; tobacco base; parcel size; number of rooms; major alteration/addition; PVA signature and date.
	Retention and Disposition	Retain in Property Valuation Administrator Office and destroy five (5) years after last entry on card and audit.
03372	Trailer Park Manager's List	This series documents the lists sent to the Property Valuation Administrators (PVA) from the managers of all trailer parks within their respective counties. The lists must be received by February 1 of each year. The series documents the changes that have occurred during the year, such as new additions to the trailer park, deletions for the trailer park, and changes in ownership. It lists the names of the owners, the types of trailers, and the size of each trailer. The list is used to determine the property assessment or changes in the assessment. If there is a change in the property assessment, it will be reflected on the Property Tax Roll (03366).
	Access Restrictions	None
	Contents	Series may contain: Name of owner; type of trailer; size; address; license number; date of arrival and departure.
	Retention and Disposition	Retain in Property Valuation Administrator Office three (3) years then destroy after audit.
03374	Aerial Photographs	This series documents the property lines for the Property Valuation Administrator (PVA). Any time property lines change, those changes are made on the photograph. The series is used to determine the acreage and to identify the property for assessment purposes.
	Access Restrictions	None
	Contents	Series may contain: Owner's name; boundary; identification number; section number.
	Retention and Disposition	Retain permanently in Property Valuation Administrator Office.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Property Valuation
Property Valuation Administrator

Record Group
Number
2560

Series	Records Title and Description	Function and Use
03477	Executive Order Correcting Erroneous Assessment	This series is used to adjust the tax bill when an error has been made in the assessment of a taxpayer's property. The error may be due to a clerical mistake, a duplicate assessment, or may be due to the taxpayer reaching the age of sixty-five (65) or becoming disabled during the tax year. When the latter happens, the taxpayer qualifies for an exemption which would change the property assessment. Once the assessment is changed, an order is sent to the Sheriff so an adjustment can be made in the tax bill. The series is used both to add to and subtract from the assessment.
	Access Restrictions	None
	Contents	Series may contain: Date; name of taxpayer; tax bill number; tax year of erroneous assessment; who made error; description of error; description of property (real estate, unmined coal, tangible, intangible); assessment book and page; original assessment; corrected assessment; decrease/increase; name of county; signature of county attorney, county judge-executive, and property valuation administrator.
	Retention and Disposition	Retain in Property Valuation Administrator Office seven (7) years, then destroy after audit.
04635	Affidavit for Correction/Exoneration of Motor Vehicle/Boat Property Tax	This series documents the change of an assessment value of a car or boat. Based on the National Automobile Dealers Association (NADA) guidelines, cars and boats are assessed a value and input into the MOTAX (Motor Vehicle Tax) System (NOS). Assessments are sent to taxpayers in their birth month. High mileage or damage will lower the standard value of a boat or car. If a taxpayer files a complaint because of the tax assessed to his vehicle, the property may be reassessed. The affidavit documents the reassessment.
	Access Restrictions	None
	Contents	Series may contain: Taxpayer name; license plate/Kentucky number; vehicle identification number; year/make/model; vehicle was sold in/out of state prior to January 1 to:/date sold; vehicle was in junkyard/date; vehicle has diesel engine; vehicle wrecked and settled with insurance company prior to January 1/date; nonresident/nonresident military information; property taxes discharged through bankruptcy proceedings; high mileage/actual miles; dealer inventory, January 1; damaged (physically or mechanically) prior to January 1, description of damage; sworn statement, attestation, signature, date, witness, title.
	Retention and Disposition	Retain in Property Valuation Administrator Office three (3) years then destroy after audit.
04856	Kentucky Board of Tax Appeals Case File (V)	This series documents the appeal activities when a taxpayer asserts their property has been assessed incorrectly by the Property Valuation Administrator (PVA). KRS 133.120 requires the taxpayer first contact the Property Valuation Administrator. If an agreement is not reached on the assessment, the taxpayer may file an appeal, in writing, with the County Clerk, before the close of the tax roll inspection period (normally about the first two (2) weeks of May). Upon filing an appeal with the County Clerk, the taxpayer receives a hearing with the Local Board of Assessment Appeals. If the ruling of the Local Board is not satisfactory, an appeal may be filed with the Kentucky Board of Tax Appeals.
	Access Restrictions	None
	Contents	Series may contain: Copy of property card (assessment, description of property, ownership, parcel size, etc.); platt; complaint/response; PVA conference record with taxpayer; appeal to Local Board; final decision of Local Board; notice of appeal to the Kentucky Board of Tax Appeals; instructions; correspondence, copies of contracts (usually commercial/industrial property); photographs.
	Retention and Disposition	Retain in Property Valuation Administrator Office; destroy four (4) years after case is closed and audit.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Property Valuation
Property Valuation Administrator

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04968	Notice of Assessment File (V)	This series documents a change in a property tax assessment, usually where the value of the assessment is different or a name has changed. KRS 132.450 (4) states that if the Property Valuation Administrator (PVA) assesses any property at a market value listed in recognized publications, at a greater value than that listed by the taxpayer, or assesses unlisted property, the PVA must serve notice on the taxpayer of this action by first class mail. After the notices are sent, usually in April, the PVA Office has an Inspection Period, which is conducted beginning the first Monday in May, for thirteen (13) consecutive days, excluding Sunday. The difference in the Inspection Period and any other time, a taxpayer may come in to see property information is that PVA staff will personally respond to the needs of the requester during the Inspection Period. Outside of the Inspection Period, PVA staff will direct the taxpayer to the computer, show him where the information is and how to find it. If the taxpayer claims he did not receive a notice, and misses the Inspection Period and the appropriate appeal period, he can file an appeal directly to the Circuit Court, bypassing the local appeal boards.
	Access Restrictions	None
	Contents	Series may contain: Name and address of taxpayer; address of property; map number; fair cash value; amount of the tax; instructions of what to do when the taxpayer disagrees with the assessment.
	Retention and Disposition	Destroy after Tax Roll (series 03366) is certified and audit. (Note: series 03366 is retained in Property Valuation Administrator Office for five (5) years, transfer to County Court Clerk's Office - L1433 - and has a permanent retention).
05012	Proof of Disability for Homestead Exemption File (V)	This series documents that a taxpayer, under the age of sixty five (65), qualifies to receive the homestead exemption (series 03367) on his main residence because of a disability. The information is received from the Social Security Administration, or another public or private retirement system. The taxpayer provides the Social Security Administration, or other affected retirement system, with an authorization to release information to the Property Valuation Administrator (PVA) regarding eligibility for Social Security, Supplemental Security Income, black lung benefits, or other appropriate information needed to satisfy the requirements of the respective PVA. The information is then used in determining property tax liability. The Social Security Administration, or other private/public retirement system, sends the PVA a statement of the taxpayer's monthly benefits each year the taxpayer receives them, until the individual reaches the age of sixty five (65). After reaching age sixty five (65), the taxpayer is no longer required to provide proof of benefits.
	Access Restrictions	KRS 131.190 - Taxpayer information
	Contents	Series may contain: Date, status code, Social Security Number, user code, claim number, date of birth, address, benefit history, Supplemental Security Income data, payment status code, terminated by systems action/date (if applicable).
	Retention and Disposition	Retain in Property Valuation Administrator Office five (5) years and destroy after audit.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Property Valuation
State Valuation - Motor Vehicle Tax

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04699	Freddie Freeroader File (V)	<p>This series documents investigative activities of reports and out-of-state affidavits for possible delinquent motor vehicle usage tax and tangible personal property tax on motor vehicles which are based in Kentucky, but are not properly registered. Kentucky law requires the registration of motor vehicles within fifteen (15) days from the date they are brought into Kentucky for use. A six percent motor vehicle usage tax is levied on motor vehicles for the privilege of operating on Kentucky highways, based on the value at the time they are first placed into service in the state. Property tax is assessed annually on vehicles situated in Kentucky on January 1, based on their fair cash value. If registering a vehicle in Kentucky for the first time, a new resident is entitled to credit against the motor vehicle usage tax for a similar tax paid to another state, provided documentation of the tax paid is submitted to the County Clerk. This credit is not available to Kentucky residents who registered and paid a similar tax to another state, in order to avoid the Kentucky motor vehicle usage tax or the property tax. If it is determined that a tax is due, the owner is notified and assessments are issued. The Freeroader staff is responsible for any adjustments on assessments dispensed. The program has a hotline number which residents use to report violations.</p>
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series contains: Vehicle Transaction Record (name, address of owner, county/code, date of purchase/registration, value of vehicle, usage tax paid, date paid, etc.); correspondence, supporting documentation (affidavit); Certificate of Registration; payment cards (to Revenue)/date of payment.
	Retention and Disposition	Retain in Agency then destroy five (5) years after files are closed (paid or voided). Transfer to the State Records Center after two (2) years. Destroy after audit. NOTE: *Review and destroy cases over fifteen (15) years, where the vehicle no longer exists or collection efforts exceed tax due.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Property Valuation
State Valuation - Public Service

Record Group
Number
2560

Series	Records Title and Description	Function and Use
03921	State Assessed Intangible Properties Tax Return File (V)	<p>This series documents the assessment and collection of intangible taxes as required in KRS 132.030, State Bank Deposits Tax; KRS 136.290 and KRS 136.310, Domestic and Foreign Savings and Loans, Savings Banks, etc; KRS 136.320, Domestic Life Insurance Companies. The returns are filed annually. Agency staff conduct an office audit of the company and formulate an assessment. The company or institution is then billed for taxes due. All information in entered into the Centrally Assessed Property System (CAPS) then manually entered into the Compliance and Receivables System (CARS). Payment is monitored then manually entered into CAPS. The two (2) systems do not communicate for these tax types. The outcome of the audit may be appealed.</p> <p>Also included in this series is the Local Franchise Tax of Bank Deposits Tax (KRS 136.575). These returns are filed annually. They are audited and processed by agency staff. Deposits are then certified to each city and county that has a branch within their jurisdiction. It is local government's responsibility to bill and collect the tax.</p> <p>Access Restrictions KRS 131.190 - Tax Information</p> <p>Contents Series may contain: Tax return; supporting documents--financial statement, annual report, statement of conditions; correspondence.</p> <p>Retention and Disposition Retain in Agency four (4) years; transfer to the State Records Center three (3) years. Destroy after audit. Total retention is seven (7) years.</p>
03927	Public Service Company Property Tax Return File (V)	<p>This series documents the filing of the tax return and payment of the appropriate taxes on the operating property of public service companies (PSCs). The PSCs, as defined in KRS 136.120, include railway, gas, water, electric light and power, telephone, telegraph, air carriers, pipeline, and cable television, centrally assessed companies which include telecommunication, commercial watercraft, distilled spirits, and bonded warehouses, among others, which own, use, lease, rent, or operate, to, from, through, in, or across Kentucky. Railroad cars include, but are not limited to flat, tank, refrigerator, or passenger cars. Exceptions are bus line companies, regular and irregular route common carrier trucking companies, and taxicab companies. The Department of Revenue has the sole power to value and assess all property of corporations, partnerships, etc. performing public service. Property is classified as operating tangible, nonoperating tangible, and nonoperating intangible. Also, all property is subject to local taxation, if the company is operating in a county, incorporated city, or other taxing district. The reports include stock information, surplus funds and undivided profits, indebtedness as principal, cost and year acquired of all operating property owned, leased, or under construction, operating and nonoperating revenues, investment income, etc. The reports are filed by April 30 of each year. A taxpayer may be granted a thirty (30) day extension if he requests the extension before the due date of the return and includes with the request a report of any increases or decreases in property of fifty thousand dollars (\$50,000) or more in any taxing district. No extension will be granted beyond May 30.</p> <p>Access Restrictions KRS 131.190 - Tax Information</p> <p>Contents Series may contain: Tax Return; schedules, supplementary(s); work papers for assessments; certification letter; Federal Energy Regulatory Commission's report; annual reports/stockholders reports/audited financial statements; correspondence; extensions.</p> <p>Retention and Disposition Retain in Agency three (3) years after all assessments and audits are completed and all appeals are exhausted; transfer to State Records Center for four (4) years. Total retention is seven (7) years.</p>
04702	Tennessee Valley Authority In Lieu of Taxes File (V)	<p>This series documents the voluntary or in lieu of property taxes paid to Kentucky by the Tennessee Valley Authority (TVA). The TVA, a generator system, is owned by the United States government. While the electric generator facilities are in Tennessee, it distributes power to several surrounding states. It operates in several Kentucky counties on the southern border. The property owned by TVA is exempt from property taxation since it is owned by the federal government. Instead, TVA pays in-lieu of property taxes, as required in KRS 96.895 and authorized by Section 13 of the Tennessee Valley Authority Act. The Department of Revenue certifies the payment due each taxing district to the Finance and Administration Cabinet, which makes the payment to the districts. The state distributes seventy (70) percent of the tax to local tax districts and retains the remaining thirty (30) percent.</p> <p>Access Restrictions None</p> <p>Contents Series contains: Monthly listing with total amount paid.</p> <p>Retention and Disposition Retain in Agency then destroy seven (7) years after all assessments and audits are completed and all appeals are exhausted.</p>

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Property Valuation
State Valuation - Public Service

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04901	Public Utilities Tax Roll File - (Franchise tax books) (V)	<p>This series documents the certified assessments of real and personal property of public utility companies in Kentucky. It is derived from Schedule J of the Property Tax Forms for Public Service Companies, which is the Property Summary by Taxing District. It includes the amount of operating and non-operating property, owned and/or leased, located in this state for each county, city and special taxing district. Each company's assessed value becomes certified when the company and Revenue both agree on the value. This series serves as the property tax roll for public utility companies. The roll is divided into local tax districts: school, watershed, soil conservation, garbage, etc. Each company first submits a tax return by April 30 each year. The Public Service Branch, State Valuation Division, prepares the tax rolls according to the tax district. The Department of Revenue reflects the aggregate values on the tax roll before it is sent to the County Clerk's Office for preparation of the tax bill. All personal and real property is separately stated and valued. Once the notice is mailed, a company has forty five (45) days to protest the assessment. The sheriff's office collects the taxes due.</p>
	Access Restrictions	None
	Contents	Series may contain: (Books) name of company; tax year; subtotal; tentative (assessment)/final/pencil; to/from; certified; NOI .015; NOI .250; MM .250; MM .150; RE .015; TP .150; total for the following districts: school, fire, watershed, ambulance. Group Notice Code (GNC).
	Retention and Disposition	Retain permanently in agency.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Property Valuation
State Valuation - Tangible Personal Property

Record Group
Number
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Series	Records Title and Description	Function and Use
04703	Omitted Tangible Property Tax Return File (V)	This series documents the tangible tax returns that are received by the Kentucky Department of Revenue, State Valuation Branch and respective Property Valuation Administrators (PVA), when the return misses the May 15 filing deadline with the Property Valuation Administrator. The return is used to document the listing of tangible personal property. Tangible property is every item which is subject to ownership, excepting real and intangible property (stocks, bonds, bank shares). Real property is defined as land; crops; contractors' building components; manufacturing machinery and equipment (receiving/holding property with a view to making a profit); commercial and electronic equipment inventories; boats; aircraft; art work; and tangible property leased or consigned. The return allows for an assessment on taxable property. A Personal Property Assessment Notice of Tax Due will follow. Returns received by the PVA after May 15 are forwarded to the Department of Revenue. NOTE: The Tangible Property Tax Return received by the Division of State Valuation after May 15 is deemed an omitted return, meaning that the property information is not included on the Certified Property Tax Roll (03366). NOTE: Statute of Limitations allows for collection up to eleven (11) years for unpaid returns.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Form letters; Notice of Assessment (detail of billing); Notice of Tax Due; tangible return.
	Retention and Disposition	Retain in Agency, then destroy paid returns after seven (7) years from date of payment in full.
04709	Omitted Intangible Property Tax Return and Audit File Closed Date: 1/1/2006 (V)	Closed Series: This series documents the listing and filing of omitted intangible personal property with the Division of State Valuation, Department of Property Valuation. Intangible property is property other than tangible or real estate, such as loans, notes, bonds, mortgages, copyrights, patents, and some cash investments. (As a result of the St. Ledger ruling (1997), it no longer includes stocks, or mutual funds.) Persons owning or having an interest in intangible property must file the return with the Property Valuation Administrator's Office (PVA) in the respective county, between January 1 and May 15. Any return not received or postmarked by May 15 will be omitted (KRS 132.290) and subject to penalties and interest, except for those who have filed for a federal extension. The return is not filed with the (individual) income tax return. A check or money order is not sent with the return. A tax bill is mailed following the assessment.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series contains: (Subject to revision) instructions; name, address; organization type; (1) stocks, Mutual Funds, options information--type, number owned, value, cusip number; (2) Money Market Funds information; (3) bonds; (4) loans, notes and mortgages receivable, and land contracts; (5) Trusts; (6) cash and deposits; (7) other receivables; (8) receivables and stock; (9) retirement plans or annuities; totals; signatures preparer, taxpayer.
	Retention and Disposition	Retain in Agency four (4) years; transfer to the State Records Center for three (3) years. Destroy after audit. Total retention is seven (7) years.
04710	Brokers' Marginal Intangible Tax File Closed Date: 1/1/2006 (V)	Closed series: This series documents a broker filing with the Cabinet the buying or selling of stocks, bonds, or other securities for customers in margin transactions. The broker reports the aggregate amount, with an accurate description and the market value, of all such securities then held or carried for resident customers for each office or place of business in the state. The report is filed on or before March 1 of each year. The customer may provide an affidavit verifying his residency. Upon the filing of the report, the Cabinet assesses the securities for taxation at their fair cash value, insofar as subject to taxation in Kentucky. The tax must be paid within thirty (30) days after the tax bill has been issued. The broker may charge to and collect from each customer his portion of the tax levied upon the securities held or carried for him. If the broker fails to pay the taxes when due, he is liable for interest thereon at the tax interest rate, and an additional penalty of 10% upon the amount of tax with interest. The taxpayer also may file an Intangible Tax Return (03370; KRC-Omitted Intangible Property Tax Return and Audit File, (04709), requiring a refund to the taxpayer, if the broker and taxpayer have filed the same information twice.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series contains: Customer's statement; summary of broker's audit; correspondence.
	Retention and Disposition	Retain in Agency four (4) years; transfer to the State Records Center for three (3) years. Destroy after audit. Total retention is seven (7) years.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Property Valuation
State Valuation - Tangible Personal Property

Record Group
Number
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Series	Records Title and Description	Function and Use
05337	<p>County Tax Rate Certification File (V)</p> <p>Access Restrictions None</p> <p>Contents Series contains: Type of tax table (state property tax, local property tax, city); Table I - tangible property, intangible property, property type (statute, state rate, county rate, city rate, school rate; Table II - local property tax rates, name of county, rates for each jurisdiction, real estate, tangible, motor vehicle; Table III - city property tax rates (class, county, real estate, tangible, motor vehicle, air rate; Table IV - average property tax rates (counties, cities, school districts, special tax districts).</p> <p>Retention and Disposition Retain in Agency three (3) years, transfer to the State Records Center for four (4) years. Destroy after audit. Total retention is seven (7) years.</p>	<p>This series documents the compilation of rates for property subject to taxation for state purposes and in the county, city, school or other taxing district or jurisdictions in which there is a taxable situs, as required in KRS 132.200. Upon certification of the County Recapitulation File (04681) by the Department of Revenue where the county's tax assessments have been configured, the county then determines the rates, based on its tax dollar needs. After the rates are established, the respective county can then proceed with property tax billings and collection. The Department of Revenue enters the rates into the Omitted Property Tax System for each jurisdiction. Billings are then done on omitted personal property. The series is used to compile the Kentucky Tax Rates publication each year.</p>

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Public Service

Record Group
Number
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Series	Records Title and Description	Function and Use
03735	Electric Plant Boards - In Lieu of Taxes File (V)	This series documents the voluntary tax paid to Kentucky by electric plant boards operated by the Tennessee Valley Authority who use this area pursuant to provisions stated in KRS 96.820. These electric plant boards are not required to pay taxes but do so voluntarily and are regulated by the federal government.
	Access Restrictions	None
	Contents	Series may include: Certification Form; Worksheet; Correspondence.
	Retention and Disposition	Retain in Agency three (3) years; transfer to the State Records Center for four (4) years, destroy. Total retention is seven (7) years.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Sales and Excise Taxes
Miscellaneous Tax

Record Group
Number
2560

Series	Records Title and Description	Function and Use
03306	Cigarette Tax Audit File	This series documents the action taken when Revenue's field division personnel review the records of taxpayers who buy or sell tobacco products, for compliance with laws and regulations relating to the assessment of taxes on tobacco products. Staff check the taxpayer's inventory of tobacco to determine if a correct return has been filed. The return includes the sales of and taxes paid on the products. A cigarette tax is due when any licensed wholesaler or unclassified acquirer takes possession within Kentucky's boundaries of products for which taxes have not been paid. The tax assessed is paid one time, regardless of the number of times the products may be sold within the state. (See KRS 138.140)
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Correspondence; request/authorization for refund; cigarette tax credit certificate; manufacturer's statement; monthly report of wholesaler; order forms; audit processing review information form; narrative report; transmittal sheet; audit review certificate; summary of tax audit; inventory of unstamped products; inventory of affixed stamps and meter audits; products subject to late stamping penalty; cigarette purchases; units purchased by wholesale; application for subjobber license; unaffixed stamps and meter.
	Retention and Disposition	Retain in Agency seven (7) years then destroy after audit.
04344	Health Care Provider Tax Return File (V)	This series was created to provide taxpayers with a method of recording and remitting to the Commonwealth the amount of taxes owed as a result of the enactment of the Health Care Provider Tax, which was passed into law during the 1993 Second Extraordinary Session of the Kentucky General Assembly. The tax is imposed on gross revenues received by health care providers on or after July 1, 1993. A health care provider is any individual or entity providing health care items, services, or hospital services against which the state is permitted to impose a provider tax pursuant to federal legislation or regulation. Facilities operated by the federal government are excluded, as well as any class of provider that includes groups that are prohibited by state law from participating in the state Medicaid Program. At present, the following classes of services are affected: nursing facility services; intermediate care facility services for the mentally retarded; physician services; home health care services; health maintenance organization services; and hospital services. The taxes are paid on a monthly basis. In the case of a return where the taxpayer understates gross revenues by 25% or more, Revenue has six (6) years in which to assess the excess amount. In all other cases of understatement, Revenue has four (4) years in which to assess excess amounts.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Name and address of taxpayer; period beginning; period ending; return due; account number; hospitals, gross revenues, tax rate, amount of tax; other providers, class, gross revenues, tax rate, amount of tax; prescriptions, outpatient drugs, number, tax rate, amount of tax; tax due; net tax due; interest; penalty; total amount due; signature of president or other principal officer, partner, or proprietor, date, signature of preparer, title, and date.
	Retention and Disposition	Retain in Agency six (6) years and destroy after audit.
04623	Dealer Bond File (V)	This series documents the satisfaction of a condition of the license issuance, executed by an insurance or surety company to assure the payment of an excise tax due the Commonwealth. A minimum five thousand dollars (\$5000) bond is required of a new applicant dealing in gasoline and special fuels and a one thousand dollars (\$1000) minimum for one dealing in liquefied petroleum gas. There is no maximum limit. The Dealer Report File (04624) will, thereafter, determine the needed tax liability, if the minimum is not sufficient. If it is discovered that additional tax liabilities are due, Revenue will make an assessment. If the company does not pay, a bond demand claim is filed against the surety for payment of the required taxes.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Bond document; application for license; copy of license issued; correspondence; amendments; financial statements.
	Retention and Disposition	Retain in Agency two (2) years after termination or cancellation of bond; transfer to State Records Center for three (3) years. Destroy after audit; total retention is five (5) years.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Sales and Excise Taxes
Miscellaneous Tax

Record Group
Number
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Series	Records Title and Description	Function and Use
04624	Dealer Report File - Gasoline, Special Fuels, Liquefied Petroleum (V)	This series documents the business activities of dealers pertaining to gallons of gasoline, special fuels (SF), and liquefied petroleum (LP) gas received and sold, as required in KRS 138.240 (gasoline and SF) and KRS 234.370 (LP). The report includes the number of gallons received that have been produced, refined, manufactured, or compounded by Kentucky dealers. Like a tax return, it reports shippers' invoices, dates of receipt, points of origin and destination, names of carriers, modes of transportation, etc. It reflects the excise tax due for each fuel and the amount to be remitted. It aids in determining bond amounts, based on taxes paid (see Dealer Bond File - 04623). The tax dollars received are deposited into the Transportation Road Fund, a state fund that is administered by the Finance and Administration Cabinet and the Transportation Cabinet for highway construction, maintenance, and repair of city and county roads throughout the state. NOTE: KRS 138.320 requires gasoline and SF dealers to retain their records five (5) years. KRS 234.360 requires dealers of LP gas to retain their records two (2) years.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Return; supplemental schedules; correspondence; field office audit records.
	Retention and Disposition	Retain in Agency five (5) years; destroy after audit.
04625	Refund Claim File - Aviation, Watercraft, Bus and Taxi Operators (V)	This series documents the reimbursement or refund issued for taxes paid to persons or companies operating aircraft, watercraft, bus or taxi services, pursuant to the provisions of KRS 138.341 (1), KRS 138.445, and KRS 138.446. Bonds, not permits, are required. An individual or business is not entitled to a refund unless a bond has first been filed with an approved surety in an amount of not less than one thousand dollars (\$1000). The bond ensures the payment of taxes due if a company does not reimburse the state for an erroneous refund.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Name, address; gallons purchased; purchase price; invoices; gallons on which refund is claimed; documentation that will document and protect the revenues of the state; correspondence.
	Retention and Disposition	Retain in Agency five (5) years; destroy after audit.
04626	Motor Fuels Transporter Report File (V)	This series documents the transporting of gasoline and special fuels into, within, and out of Kentucky, as required in KRS 138.260. It reflects the method of transportation (truck, barge, rail) and the gallons being transported. It is not a tax collecting report, but may be compared against the Dealer Report File (04624). The report is submitted monthly.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series contains: Name, address of each individual delivering fuel; name and address of original consignee; point of origin; point of delivery; number and initials of each tank car, if shipped by rail; quantity in gallons; manner of shipment and delivery; dates of all transactions (including intracity switching movements); original bond; application for license; correspondence.
	Retention and Disposition	Retain in Agency five (5) years; destroy after audit.
04627	Motor Fuels License Information File (V)	This series documents the licensing of gasoline, special fuels, and liquefied petroleum (LP) dealers. It reflects the registration of the dealers, demographics, and taxable gallon data. This information is also gathered to comply with federal reporting needs, which, in turn, provides federal highway dollars to Kentucky. The federal government receives monthly statistical reports via the Kentucky Transportation Cabinet. Quarterly reports are compiled and provided to all licensees, pursuant to KRS 138.320. All licensees included are active, unless cancelled or revoked under the terms of KRS 138.320 (7). If a licensee re-registers within five (5) years of a (self-imposed) cancellation, he is issued the same license number previously given.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Name of dealer, address, phone number, Tax ID number.
	Retention and Disposition	Retain in Agency and purge or delete five (5) years after expiration or cancellation of license and audit.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Sales and Excise Taxes
Miscellaneous Tax

Record Group
Number
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Series	Records Title and Description	Function and Use
04628	Liquified Petroleum Gas Exemption Permit File Closed Date: 1/1/1995 (V)	CLOSED SERIES: This series documented the consumer's approval for an exemption of the liquified petroleum excise tax, paid on fuel consumed in a personal vehicle. Consumers using motor vehicles equipped with carburetion systems or dual systems, and approved by the Natural Resources and Environmental Protection Cabinet, were exempt from the tax (see KRS 234.321). Fleet vehicles were often included in this category. This series was closed in 1995. The Cabinet no longer issues tax exemptions for LP gas; however, there are exemptions that currently exist that are valid. Retention is based on the existence of vehicles with valid exemptions.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series contains: Application--name, address, type of vehicle, year, carburetion system/model, vehicle identification number, type of fuel used; exemption form; copy of permit issued; correspondence.
	Retention and Disposition	Retain in Agency twenty (20) years; destroy after audit.
04629	Petroleum Storage Tank Environmental Assurance Fee Report File (V)	This series documents the fee collected from dealers based on their taxable gasoline and special fuels gallons, as required in KRS 224.60-145, and as reported under the terms of KRS 138.210-.500. The fee is reported and paid to Revenue in the same manner as the Dealer Report File (04624). The fee is deposited into a Petroleum Storage Tank Environmental Assurance Fund for the purpose of paying for claims filed for environmental damages and cleanup as a result of leaking underground storage tanks. The fee is paid on a monthly basis but separate from the Dealer Report File.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Name, address of dealer; license number; federal employer identification number; month; phone number; taxable gallons per monthly report; agricultural gallons (exempt); special fuels (SF) residential heating gallons; SF State or Local Government gallons; SF nonprofit religious, charitable, or educational gallons; fee rate; total gallons subject to fee; total fee due; signature of preparer; title; date.
	Retention and Disposition	Retain in Agency five (5) years; destroy after audit.
04632	Refund Permit File (V)	This series documents the application for which a refund permit is issued. The refund permit entitles an entity to either purchase agricultural gas or special fuels (SF) for non-highway purposes, tax-free or subject to refund. The permit includes non-highway consumers such as farmers, coal or construction companies with special equipment or stationary engines. There is no fee or bond required to file for a permit. The permit application continues until it is canceled by request, or terminated for cause by Revenue. NOTE: KRS 138.347 requires dealers and holders of refund permits to retain their records for five (5) years.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Permit application (purpose, use of permit, gallons purchased); correspondence.
	Retention and Disposition	Retain in Agency then destroy five (5) years after notification of death or dissolution of business and audit.
04633	Non-Highway Refund Application File (V)	This series documents refunds issued to persons with approved refund permits (See Refund Permit File - 04632). The purchase of gasoline or special fuels is either tax-free or tax exempt and is for the purpose of operating farm vehicles, propelling stationary engines or using tractors for agricultural purposes or non-highway uses. The refund is not authorized unless applications and all necessary information are filed with Revenue on a quarterly or calendar year basis.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Name, address of permit holder; permit number; gallons purchased; purchase price, including invoices; gallons used on highway; gallons on which refund is claimed.
	Retention and Disposition	Retain in Agency five (5) years then destroy after audit.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Sales and Excise Taxes
Miscellaneous Tax

Record Group
Number
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Series	Records Title and Description	Function and Use
04634	Bond Refund File (V)	This series documents the bonds required for aviation, watercraft or motor boat docks, bus and taxicab refund applicants as required in KRS 138.341, 138.445, and 138.446. The bond may be collected in the event the entity does not reimburse the state for a refund issued in error, or for noncompliance with the statutes.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Name and address of entity; taxes paid on motor fuels used; number of gallons purchased; date, quantity of each purchase; vendor; number of gallons on which refund is claimed; invoices; correspondence.
	Retention and Disposition	Retain in Agency five (5) years then destroy after cancellation or termination of bond and audit.
04642	Inheritance and Estate Tax File (V)	This series documents the satisfaction of filing required inheritance and estate tax documents by a personal representative of the deceased to Revenue to ensure the proper collection of taxes, as required in KRS 140.160. The inheritance tax is an excise tax based on the right to receive property from a decedent's estate. The amount of the tax is computed by the beneficiary's share and his relationship to the decedent, i.e., classification. Real estate, stocks and bonds, mortgages, case, life insurance, jointly owned real and personal property, in addition to miscellaneous property such as jewelry, royalties, and automobiles, are among the types of property included in the gross estate of a resident decedent. The return must be filed within eighteen (18) months from the date of the decedent's death and before interest and/or penalties are applicable. The Acceptance Letter and the Tax Return (with attached schedules and reports) are the two items required to be retained for a twelve (12) year period.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Probate of will; appointment of executor and administrator; lien release/bank release (from bank or financial institution); statement of assets; inventory; lien release on property; tax return and attachments, if any; checklist; correspondence; acceptance letter; audit report(s) and workpapers; bill or refund documentation from audit.
	Retention and Disposition	Retain permanently in Agency the tax return and attached schedules, audit bill/refund, and final acceptance letter. Other supporting documentation may be destroyed five (5) years after receipt of final acceptance letter.
04665	Coal Severance Tax Seller's Certificate File	This series documents the purchase of coal from a registered taxpayer who sells severed or processed coal and supports the claim of a purchased coal deduction on the tax return. KRS 143.037 requires that all registered taxpayers who sell processed coal that is claimed as a deduction for purchased coal file the tax seller's certificate for the purpose of permitting the processor of the coal to verify his deduction for purchased coal. The form is only filed the first time an individual does business with a company. The certificate supports information reported in the tax return. A deduction for purchased coal is not permitted for purchases of coal originating from persons severing coal in the state who are not registered to report and pay the tax due under this statute, or for purchases of coal which cannot be traced to a person who severed the coal outside of Kentucky.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Page 1: certification statement; mined by me in Kentucky; purchased by me for purpose of resale without processing; mined by me outside Kentucky; state of origin; state mine identification number; reclamation permit number; name of seller; seller's identification number, address, signature of seller, social security number, title, date. Page 2: Broker's purchase schedule; identification number; purchased from; address; total tons; tons from registered taxpayer; amount to be deducted as the cost of purchased coal.
	Retention and Disposition	Retain in Agency ten (10) years then destroy after audit.
04667	Coal Tax Return File (V)	This series documents the financial and production activities of a coal company, in addition to purchase/seller transactions. The tax is levied on every taxpayer engaged in severing and/or processing coal, as required in KRS 143.020. The tax, implemented in July, 1978, is entered into the Coal Tax Database and is used to compile reports for accuracy and compliance with tax returns. It assists with the allocation of coal tax receipts to the local tax districts, verifies that purchase/seller transactions agree, and that sellers are registered taxpayers (see Coal Severance Tax Seller's Certificate File (04665). Returns are submitted monthly.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series contains: Tax Return.
	Retention and Disposition	Retain in Agency three (3) years; transfer to the State Records Center for four (4) years. Destroy after audit. Total retention is seven (7) years.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Sales and Excise Taxes
Miscellaneous Tax

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04668	Coal Tax Historical File	This series documents various activities, transactions, or communications with coal companies or coal operators. It is created when the taxpayer is registered. The series becomes inactive when the taxpayer indicates he is going out of business, or because of enforced collection activities.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Correspondence; copies of tax returns, schedules; documentation of enforcement activities.
	Retention and Disposition	Retain in Agency then destroy ten (10) years after dissolution of company and audit.
04755	Marijuana and Controlled Substance Stamp Order Form File	This series documents the request for marijuana or controlled substance tax stamps. The stamps identify the substance, its quantity, and the total purchase of the stamps. The tax is levied on a dealer engaging in taxable activity in the state producing, cultivating, manufacturing, importing, transporting, distributing, acquiring, purchasing, storing, selling, using, or otherwise possessing more than five marijuana plants with foliage; 42.5 grams of marijuana, which are detached from the plant; seven grams of any controlled substance; or fifty or more dosage units. (A controlled substance is a (prescription) drug, narcotic, or substance with some chemical structure to stimulate, depress, or cause a hallucinogenic effect on the central nervous system.) The tax rate is \$1000 per plant; \$3.50 for each gram of marijuana detached from the plant on which it grew; \$200 for each gram of controlled substances; and, \$2000 on each fifty dosage units of a controlled substance. No dealer may engage in a taxable activity unless the tax imposed has been paid, as evidenced by the affixing of a tax stamp. The tax is due and payable immediately upon occurrence of the taxable activity. The purchaser is not required to give his name, address, or otherwise identify himself to Revenue. Thus, the bottom half of the form, completed when mailed to Revenue and identifying the purchaser, is separated and destroyed. Each tax stamp is used only once and expires one year after issuance.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Account number/tax/month/year; substance (controlled substance--units/grams, marijuana--plants/grams); quantity ordered (\$2000 per 50 units, \$200 per gram, \$1000 per plant, \$3.50 per gram); total of each. (Lower portion is destroyed upon issuance of tax stamp and includes name, address, telephone, date).
	Retention and Disposition	Retain in Agency seven (7) years then destroy after audit.
04756	Marijuana and Controlled Substances Ledger Book	This series documents the issuance of marijuana or controlled substances tax stamps. The information is transferred from the Marijuana or Controlled Substances Stamp Order Form File, 04755, with order form, to the ledger book so that control of the inventory of the stamps can be maintained, and to create statistical reports. Personal information on individuals purchasing the stamps is not retained in the ledger book.
	Access Restrictions	None
	Contents	Series may contain: Date; serial number; amount punched on the stamp; denomination; total stamp; validating number; and amount collected.
	Retention and Disposition	Retain in Agency seven (7) years; destroy after audit.
04757	Notice of Seizure/Tax Lien on Marijuana or Controlled Substances File (V)	This series documents the notice of a lien levied by a law enforcement agency, identifying a dealer of marijuana or controlled substances who has not purchased or applied tax stamps to the products at the time of seizure. Each law enforcement agency that seizes from a dealer more than five marijuana plants with foliage, 42.5 grams of marijuana which are detached from the plant on which it grew, seven grams of any controlled substance, or 50 or more dosage units of any controlled substance must notify Revenue within seventy two (72) hours after seizure, if the tax imposed has not been paid as evidenced by the absence of the tax stamp. To facilitate collection of the tax, the law enforcement agency files a copy of the notice with the County Clerk in the county in which the seizure was made; the County Clerk in the county in which the dealer resides (if different); the County Clerk of any other county in which the police agency believes the dealer owns real or personal property; and, each financial institution the police believes possesses any funds or assets of the dealer. The lien may be released upon written notice from Revenue that the tax, penalty, and interest due have been paid; a bond has been given to Revenue (KRS 131.150 (2) (jeopardy assessments); or, the tax, penalty, and interest are determined not to be due. When a dealer is not in compliance with tax requirements, the information is entered into the On-line System for the Collection of Accounts Receivable for work assignment. The Division of Collections initiates the lien and follows through with collection procedures.
	Access Restrictions	KRS 131.190, KRS 138.886 - Tax Information
	Contents	Series may contain: Name, address, and Social Security number of dealer; type and quantity (units or weight) of items seized; tax due for each type of substance; information developed during the course of the investigation regarding real or personal property; name, agency, telephone number, address of officer, and date.
	Retention and Disposition	Retain in Agency seven (7) years; destroy after audit.

STATE AGENCY RECORDS RETENTION SCHEDULE

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Revenue
Sales and Excise Taxes
Miscellaneous Tax

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04761	Bank Franchise Tax Return File (V)	<p>This series documents the returns filed by every financial institution regularly engaged in business in Kentucky. A qualifying institution is an institution that obtains or solicits business with twenty (20) or more persons or one that has receipts attributable to sources equal to or exceeding one hundred thousand dollars (\$100,000). The 1996 General Assembly enacted HB 416, which repealed Kentucky's primary method of taxation of banks, the bank shares tax, and replaced it with the bank franchise tax. Banks pay an annual state franchise tax measured by net capital, as apportioned, if applicable. Various calculations and formulae in conjunction with book values and deductions for U.S. obligations, reported to federal agencies and filed quarterly, determine net capital. The bank franchise tax is in lieu of all city, county, and local taxes, except the real estate transfer tax levied in KRS 142, real property and tangible personal property taxes levied in KRS 132, the local franchise tax levied in KRS 136.575, and taxes upon users of utility services. The taxable year means the calendar year. Returns are due on or before March 15 following the end of each calendar year. The bank franchise tax rate is 1.1% of the net capital after apportionment, if applicable. Each financial institution regularly engaged in business will pay a minimum tax of three hundred dollars (\$300) per year.</p> <p>Access Restrictions KRS 131.190 - Tax Information</p> <p>Contents Series may contain: Registration form (legal business name, address, officers, president or CEO, social security number, FEIN (federal employee identification number); tax return; schedules (A through A-4, B, C); and correspondence.</p> <p>Retention and Disposition Retain in Agency four (4) years; transfer to the State Records Center for three (3) years. Destroy after audit. Total retention is seven (7) years.</p>
04762	Insurance Premium and Premium Surcharge Tax Return File (V)	<p>This series documents the filings of insurance premium and surcharge taxes collected from domestic, foreign, and alien companies doing business in Kentucky. As required in KRS 136.330, every foreign life insurance company doing business in Kentucky must, by March 1 of each year, return to Revenue a statement of all premium receipts on business done during the preceding calendar year, or since the last return was made. Premium receipts include single premiums, annuity premiums, premiums received for original insurance, renewals, dividends, and all other premium payments received on policies that have been written in Kentucky, or out of the state on business done in Kentucky. Also, every domestic, foreign, or alien insurer, other than life and health insurers, must charge and collect a surcharge of \$1.50 on each \$100 of premiums, assessments, or other charges, except for municipal premium taxes, for insurance coverage provided to policyholders (KRS 136.392). The premium surcharge is collected by the insurer from the policyholder at the same time and in the same manner that its premiums or other charges for insurance coverage are collected. The taxes are due to Revenue the 20th of each month.</p> <p>Access Restrictions KRS 131.190 - Tax Information</p> <p>Contents Series may contain: Company name, address; location of company's book; net foreign life insurance tax, net other than life insurance tax; fire insurance tax; net retaliatory taxes and fees; adjustments; total net tax liability due; signatures of president or principal officer and chief accounting officer, title, and date.</p> <p>Retention and Disposition Retain in Agency four (4) years; transfer to the State Records Center for three (3) years. Destroy after audit. Total retention is seven (7) years.</p>
04763	Pari-mutuel and Admissions Report File (V)	<p>This series documents the taxes due from the licensed horse race tracks throughout Kentucky. There are three types of taxes collected: license tax, admissions tax, and pari-mutuel tax. The license tax is paid for each day of racing and is based on the average daily mutual handle of the preceding race year. It is paid by race tracks conducting live horse races, under the jurisdiction of the Kentucky Racing Commission. The tentative tax is paid within 30 days of the end of each race meet. The tracks also file an annual report, due by December 31 of each year, giving a summary of the average daily handle of the race year concluded on the immediate preceding November 30, and pay any additional license tax due. The admissions tax is applicable to all persons, except track employees, owners or trainers of horses, jockeys or their employees, who enter the track grounds or enclosures at which a race meeting is being conducted, for the purpose of attending the races or for purposes related to the races. The tax rate is \$.15 per admission and is due within 30 days of the end of the meet. The pari-mutuel tax is imposed on all tracks conducting pari-mutuel racing, except for harness racing tracks at county fairs. The daily average handle is computed from the amount wagered at tracks conducting races only and does not include money wagered at a receiving track or on telephone account wagering. The pari-mutuel report is due weekly, and directs the allocation of the pari-mutuel tax to various equine projects. The tax on simulcast facilities, allocated to the Breeders' Award Fund, is also included in the report.</p> <p>Access Restrictions KRS 131.190 - Tax Information</p> <p>Contents Series may contain: Account number betting location; betting location; track conducting live racing; racing days, dates; Part I--pari-mutuel report (includes amount wagered at track, applicable tax rate, and net tax due); Part II--allocation of pari-mutuel tax; Part III--simulcast facility allocation; Part IV--admissions report by tracks conducting live racing; total due; signature of track representative and commission supervisor.</p> <p>Retention and Disposition Retain in Agency four (4) years; transfer to the State Records Center for three (3) years. Destroy after audit. Total retention is seven (7) years.</p>

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Finance and Administration
Revenue
Sales and Excise Taxes
Miscellaneous Tax

Record Group
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Series	Records Title and Description	Function and Use
04764	Cigarette Tax License and Stamp/Meter Report File (V)	<p>This series documents the activities of the licensees that manufacture, buy, sell, or transport cigarettes in Kentucky, including licensees that affix stamps. The return is reported monthly. It documents the inventory of the dealer, the number of stamped and unstamped packages on hand, who they were bought from, and to whom they were sold. Pursuant to KRS 138.140, a tax is paid on the sale of cigarettes within the state at a proportionate rate. The tax is paid once, regardless of the number of times the cigarettes are sold in the state. The tax is due when a licensed wholesaler or unclassified acquirer takes possession of untax-paid cigarettes. The tax is paid within forty-eight (48) hours after receipt. A stamp is affixed to each package of an aggregate denomination, evidence of the payment of the tax. Unless the stamps have been previously affixed, they are affixed by the resident wholesaler prior to delivery to a retail location. Revenue must be notified within seventy-two (72) hours of receipt of improperly stamped cigarettes. KRS 138.195 requires dealers to obtain a license from Revenue in order to acquire cigarettes on which the tax has not been paid. The stamp meter also is monitored.</p> <p>Access Restrictions KRS 131.190 - Tax Information</p> <p>Contents Series may contain: Application for license; schedule attachments; order forms; correspondence. Monthly report includes Section I--packages of cigarettes, summary of transactions (balance on hand first day of month, total received during month, total, total stamped, packages sold, balance on hand, inventory); Section II--stamp reconciliation; Section III--meter unit reconciliation; Section IV--combined stamps and individual impressions affixed reconciliation; Section V--cigarette administration/enforcement fee; Schedule A--packages of cigarettes received into inventory; Schedule B--sales to subjobbers; Schedule C--packages sold to tax exempt agencies/institutions.</p> <p>Retention and Disposition Retain in Agency three (3) years. Transfer to the State Records Center for an additional four (4) years. Total retention is seven (7) years or after audit, whichever is longer.</p>
04765	Wine, Distilled Spirits, Malt Beverage Tax Report File (V)	<p>This series documents the payment of taxes due on the sale or distribution of alcoholic beverages manufactured in or imported into Kentucky. The tax is imposed for any license issued under KRS 243.020 to 243.670. The tax report from a wholesaler, distributor, distiller, rectifier, vintner, or brewer of wine, distilled spirits, or malt beverages is due the 20th of each month. Any licensee found delinquent in tax payments may have his license revoked or not renewed. The report or statement includes alcohol destined for sale outside the state, as well as within the state. The file also includes a report of destruction of alcoholic beverages, as a wholesaler or licensee may receive a tax refund on containers destroyed, providing all taxes have been paid.</p> <p>Access Restrictions KRS 131.190 - Tax Information</p> <p>Contents Series may contain: Distributor's monthly malt beverage excise tax and wholesale sales tax report; beer distributor's monthly report; beer distributor's sales to federal agencies; brewer's monthly report; vintner's monthly wine report; wholesaler's monthly wine tax report; wholesaler's list of individual wine shipments acquired; monthly report of distillers, rectifiers or bottlers; wholesaler's monthly distilled spirits tax report and list of individual spirits shipments acquired; report on destruction of alcoholic beverages; correspondence and audit records.</p> <p>Retention and Disposition Retain in Agency three (3) years; transfer to the State Records Center for four (4) years. Destroy after audit. Total retention is seven (7) years.</p>
04766	Motor Vehicle Tire Fee File (V)	<p>This series documents the reporting by businesses of retail sales of new motor vehicle tires, with payment of required filing fees. Any person or business conducting retail sales of new motor vehicle tires pays a one dollar fee on each tire sold (KRS 224.822). A new tire is one which has never been placed on a motor vehicle wheel rim. Tires placed on motor vehicles prior to their original retail sale are not included. The fees are paid and reported to Revenue on or before the 20th day of each month, for the preceding month. The money is deposited into the Waste Tire Trust Fund. (Some may file quarterly or annually, with permission, and depending on sales tax frequency.) The filings are processed, with the exceptions of impure reports received by the Branch for math checks, late filing penalties, or where no payment was received with report. Those exempt from paying the fee are not exempt from filing the report. See KRS 224.50-838 for an explanation of exemption.</p> <p>Access Restrictions KRS 131.190 - Tax Information</p> <p>Contents Series may contain: Motor vehicle tire fee report and schedule of disposed tires.</p> <p>Retention and Disposition Retain in Agency two (2) years. Transfer to the State Records Center for an additional three (3) years. Total retention is five (5) years or audit, whichever is longer.</p>

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Record Group
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Series	Records Title and Description	Function and Use
04767	Motor Vehicle Tire Fee Refund Application File (V)	This series documents the refunds claimed by retailers, usually as a result of being eligible for an exemption(s) approved by the Division of Waste Management, Natural Resources and Environmental Protection Cabinet. Eligibility for exemptions is defined in KRS 224.50-838 and KRS 224.50-844. Refunds are due to overpayments, which are often credited to the next payment, or backdated, qualified exemptions.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Correspondence; name of business/address; motor vehicle tire fee account number; period in which fee was reported and paid; amount of refund requested; was fee added to the sale price of the tire and collected from the purchaser separately; if yes, will fee be refunded to the purchaser; signature/title and date.
	Retention and Disposition	Retain in Agency five (5) years; destroy after audit.
04769	Health Care Provider Tax File (V)	This series documents the tax reports on the gross revenues of providers of hospital services, physicians' services, nursing facility services, home health care services, health maintenance organization services, intermediate care facility services for persons mentally retarded, durable medical equipment and the number of outpatient prescription drugs delivered or dispensed in Kentucky.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Provider name, location, phone number and tax manual and documentation.
	Retention and Disposition	Retain in Agency; delete entries ten years (10) after closure of business and audit.
04770	Crude Petroleum Transporter's Application Registration and Report File (V)	This series documents transportation companies' reporting of crude oil in Kentucky, from receptacles located at the place of production. Every transporter makes a verified report by the 20th of each month succeeding the month in which crude petroleum is received for transportation, showing the quantity of each, or quality of petroleum from the respective county, and the market value. The report reflects sales of petroleum, the quantity of each sale, the date, and the market price on each date of sale for the preceding month. Transporters register in the office of the County Clerk in each county in which such business is carried out, identifying the name, residence and place of business of the transporter. Transporters are liable for the taxes imposed under KRS 137.120, on all crude petroleum they receive. The transporter collects the taxes from the producer, in money or crude petroleum. If the collection is in crude petroleum, the transporter may sell the same and pay the taxes. The information is stored on a stand-alone PC, which is used to determine allocations that are transferred quarterly to the Department for Local Government. The department, through its Economic Development Fund and Economic Assistance Fund, distributes the money back to the counties where the resources are produced.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Transporter's monthly report: name, address of transporter; account number; tax type; month/year period; due date; business code; liability date; grade; county; number of barrels; price per barrel; total value; net tax due; notice of cancellation, if business is no longer operating; affidavit and signatures. Application for registration: county; date of business; type of ownership; consolidated return; identification numbers; location of records; signatures of individuals/partners/corporate officers, Social Security Numbers, and date.
	Retention and Disposition	Retain in Agency two (2) years; transfer to the State Records Center for five (5) years. Destroy after audit. Total retention is seven (7) years.
04771	County Allocation Program File (V)	This series documents information entered and processed from the natural gas, natural gas liquids, minerals, and crude petroleum monthly reports (returns). Each month the program compiles the information and issues a report to the Department for Local Government. The department, through its Economic Development Fund and the Economic Assistance Fund, distributes money back to the counties where the resources are produced. The department issues the checks quarterly to the impacted counties.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series contains: Current period; county code; type of mineral; type of production; gross value (does calculations based on county code and values).
	Retention and Disposition	Retain current year on-line. Retain previous year on diskette for two (2) years. Destroy or write-over after audit.

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Series	Records Title and Description	Function and Use
04772	Legal Process Report File (V)	This series documents the tax imposed and collected by each county clerk or circuit clerk, for marriage licenses, powers of attorney to convey real or personal property, mortgages, financing statements, security agreements, etc. The taxes imposed are reported and paid to Revenue by the 10th of each month in which the instruments subject to the tax are filed, or marriage licenses are issued (KRS 142.010 (3)). From the taxes collected, a portion is deposited into an account known as the Spouse Abuse Shelter Fund, administered by Revenue and used by the Cabinet for Families and Children (KRS 209). Twelve and one-half (12.5%) percent of the taxes collected is returned to the county in which the tax was paid, to be credited to the county's general fund. County clerks and circuit clerks retain a five (5%) percent commission for collecting the taxes.
	Access Restrictions	None
	Contents	Series may contain: County; month of report; date of report; kind of process; total number of items; tax rate; amount collected; total amount due; affidavit certifying report; signature and date.
	Retention and Disposition	Retain in Agency two (2) years; transfer to the State Records Center for five (5) years. Destroy after audit. Total retention is seven (7) years.
04773	Transporter's Report of Alcoholic Beverages Delivered File (V)	This series documents the shipment and delivery of alcoholic beverages from distillers, in or out of state, to a Kentucky wholesaler, distiller, or rectifier. All transporters holding a Kentucky Distilled Spirits and Wine Transporter's license or privilege are required to file reports with Revenue by the 20th of each month, relating the preceding month's transactions. Each report reflects the state license number, name and address of parties shipping and receiving the merchandise, type of beverage and number of cases shipped. The transporter's report, in conjunction with the manufacturer's monthly tax report, and/or the consignor's report, work together in providing Revenue with a means of determining compliance with the making, selling, and transporting of alcoholic beverages. (See Wine, Distilled Spirits, Malt Beverage Tax Report File (04765); Consignor's Report of Alcoholic Beverages Shipped Report (04774)). Each of the reports should correspond or provide an audit trail, one in coordination with the other.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Name/address of party originally shipping merchandise and party receiving merchandise; date shipped; date delivered; kind of beverage; number of cases contained in shipment; name/address of carrier; and signature of carrier making report.
	Retention and Disposition	Retain in Agency seven (7) years; destroy after audit.
04774	Consignor's Report of Alcoholic Beverages Shipped File (V)	This series documents the shipment of alcoholic beverages or wine products from a consignor to a wholesaler in Kentucky. This report, in conjunction, with the Wine, Distilled Spirits, Malt Beverage Tax Report File (04765) and the Transporter's Report of Alcoholic Beverages Delivered File (04773), provides Revenue with the needed reports to verify information and determine compliance of alcoholic beverages manufactured and distributed throughout the state. As required in 103 KAR 40:050, the carrier making the final delivery to the consignee or retiring the waybill is required to submit the report to Revenue when the shipment is handled by two or more carriers.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Name/address of consignor (party shipping merchandise; name/address of consignee (to whom shipped); intrastate/out-of-state; date shipped; name of carrier; kind of beverage (spirits/wine); number of barrels/cases contained in shipment; signature of official. Consignor and license number; consignee state; type of beverage; date of report; customer/date; tank or bulk load; number of cases; totals.
	Retention and Disposition	Retain in Agency two (2) years; transfer to the State Records Center for five (5) years. Destroy after audit. Total retention is seven (7) years.

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Series	Records Title and Description	Function and Use
04775	<p>Assessment Tax Billings File--Public Service Commission - (Public Service Commission, Rural Electric Cooperative Corporation, Rural Telephone Cooperative Corporation)</p> <p>Access Restrictions None</p> <p>Contents Series may contain: Listing of utilities; name of utility, revenues; and information from Compliance and Receivables System.</p> <p>Retention and Disposition Retain in Agency three (3) years then destroy after audit.</p>	<p>This series documents the utility information required by Revenue to do the mileage assessment tax billing for the Public Service Commission (PSC). The assessment is based in proportion to earnings or receipts derived from intrastate business in Kentucky for the preceding calendar year. Revenue serves as the billing agent for the Commission and receives no compensation for the service. The Finance and Administration Cabinet establishes the assessment rate and gives written notification to Revenue and the Commission (KRS 278.150 (2)). Revenue then collects and pays the assessment to the State Treasury to be credited to the general fund. The bills are processed on the Compliance and Receivables System (CARS).</p>
04776	<p>Unauthorized Insurance Tax Return File (V)</p> <p>Access Restrictions KRS 131.190 - Tax Information</p> <p>Contents Series may contain: Company name/address; phone number; NAIC Code; state of organization; date of organization; location of company's books; for Life, Annuity, Health and Accident Insurance/all other insurance provide 1) gross premium receipts for preceding year; 2) dividends applied for premiums and additions; 3) membership fees, assessments, dues and other considerations received for insurance; 4) total taxable premiums; and, 5) premium tax on unauthorized insurer. Signature of president or principal officer, chief accounting officer, title of each, and date.</p> <p>Retention and Disposition Retain in Agency seven (7) years then destroy after audit.</p>	<p>This series documents the annual reporting and remitting of premiums written by unauthorized insurance companies in Kentucky. An unauthorized insurer is one that is not duly authorized by a subsisting certificate of authority, issued by the Commissioner of the Department of Insurance, to transact business in Kentucky. Every unauthorized insurer must pay by March 1 each year a premium tax of 2% of gross premiums charged for such insurance on subjects resident or located in the state or activities to be performed in the State. Revenue staff compare lists provided by the Department of Insurance that identify authorized and unauthorized insurance companies doing business in Kentucky, which assists in the compliance of all taxes due.</p>
04777	<p>County Clerk Report File - Motor Vehicle Usage Tax (V)</p> <p>Access Restrictions KRS 131.190 - Tax Information</p> <p>Contents Series may contain: From AVIS - detail printout--line by line transaction, including a control number, license number, transaction number, tax amount paid; computerized corrections by the Clerk's office; total dollars; total 3% fee for the Clerk's commission; adjusted final tax due for the week; daily deposits, weekly totals for the cabinet; correspondence (reasons to void bills, credit/debit information); certificate of registration; and vehicle transaction record.</p> <p>Retention and Disposition Retain in Agency six (6) months; transfer to the State Records Center for four (4) years and six (6) months. Destroy after audit. Total retention is five (5) years.</p>	<p>This series documents the amount of motor vehicle usage tax to be collected weekly by county clerks. The motor vehicle usage tax is a tax levied for the privilege of using a motor vehicle on the public highways of the Commonwealth and the rate is determined by Legislative. The tax was originally levied July 1972 and collected by the county clerk or other officer with whom the vehicle is required to be registered: a) when the registration fee is collected for registering and licensing a motor vehicle the first time, or b) upon transfer of ownership of a vehicle previously registered. The County Clerk retains three percent for services rendered in collecting the tax. The Clerk prepares a computerized report each Monday indicating all taxes collected the previous week, together with a duplicate of all receipts issued for the same period. The funds are deposited by the Clerk the next business day into a Revenue account in a bank designated as a depository for state funds. The funds are then transferred to the State Treasury in a prescribed manner. The report establishes proper credits and debits. If the Clerk collects an incorrect amount of tax, the report serves as documentation of the credit or debit.</p>

STATE AGENCY RECORDS RETENTION SCHEDULE

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Miscellaneous Tax

Record Group
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Series	Records Title and Description	Function and Use
04778	Individual Bill File - Motor Vehicle Tax (V)	This series documents any additional motor vehicle usage tax due and the accompanying explanation. If the County Clerk is unable to collect the tax, he may decide to forfeit his 3% commission and return the tax bill to Revenue. Revenue staff then void the bill originally sent to the Clerk and send a bill, with correspondence, to the individual taxpayer for collection. The Compliance and Receivables System/Online System for Collections of Accounts Receivables (CARS/OSCAR) will offset some of the bills, if caught when individual income tax returns are filed and refunds are due, or if the Division of Collections identifies them.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Certificate of registration; vehicle transaction record; correspondence and supporting documents; and response from taxpayer.
	Retention and Disposition	Retain in Agency five (5) years then destroy after audit.
04779	County Clerk Bond File	This series documents the bond required of the County Clerk and executed with surety, before entering into the duties of the office (KRS 62.055). Any county clerk holding office as of January 1, 1978, who had not executed a bond must have done so within thirty days following February 9, 1978. The value of the bond is based on the classification of the city. The Motor Vehicle Usage Section is the holder of Revenue's copy of the bond, as required in KRS 62.055 (3). If circumstances in a particular county indicate that the amount of the bond is insufficient, Revenue may request the fiscal court to increase the bond, as provided for in KRS 62.060.
	Access Restrictions	None
	Contents	Series may contain: Bond value; name of county clerk; executor of the bond; and date.
	Retention and Disposition	Retain in Agency four (4) years; destroy.

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Miscellaneous Tax - Motor Vehicle Tax

Record Group
Number
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Series	Records Title and Description	Function and Use
03733	Motor Vehicle Apportioned Taxes Closed Date: 6/30/2008	Closed Series: This series documents information filed with the Transportation Cabinet and the Department of Property Valuation by commercial vehicle companies, whose vehicles travel through Kentucky. Pursuant to KRS 138.660 and KRS 138.6601, these companies must register their trucks with the Transportation Cabinet before traveling in the state and pay taxes for traveling Kentucky roads. This series was used by the Department to calculate the tax bill and to figure the tax paid by each company. Tax is currently being paid to Transportation Cabinet at the time the taxpayer plates their vehicles. Records are now being used for research and/or bill disputes.
	Access Restrictions	None
	Contents	Series contains: Property tax statement; application for International Registration Plan apportioned registration; supplemental schedule for apportionment; tax bill.
	Retention and Disposition	Retain in Agency two (2) years; transfer to the State Records Center for three (3) years. Total retention is five (5) years.
04691	County Clerk's Monthly Report of Motor Vehicle Property Tax Collections (V)	This series documents tax dollars collected for motor vehicles registered by the County Clerk, as required by KRS 134.815. The Clerk, by the tenth of each month, reports and pays to state and local government entities all ad valorem taxes on motor vehicles collected, less the collection fee. Motor vehicles include cars, trucks, motorcycles, RV/motor homes, boats, and some trailers. In the event the vehicle is registered in a county other than that in which the vehicle has a taxable situs, the Clerk in the new county of registration is charged with collecting the ad valorem taxes due for the state and local government districts in which the vehicle has situs. All money collected by a county clerk, who has a taxable situs in another county, is reported and deposited with the state, after deducting the appropriate commissions due from these collections. Such collections are distributed to the proper tax district. As required by KRS 134.820, a final settlement, or quietus, is issued to the County Clerk acknowledging that all monthly reports and payments have been satisfactorily collected and remitted for the previous calendar year.
	Access Restrictions	None
	Contents	Series may contain: Monthly Report identifying funds collected for each district/other counties (total due, adjustments, gross, less 4% commission, total due for current month, debit/credit from previous month, totals; certification of report; instructions); County Tax Collection Journal (from AVIS); Quietus; envelope with postmark date.
	Retention and Disposition	Retain in Agency three (3) years; transfer to State Records Center for four (4) years. Destroy after audit. Total retention is seven (7) years.
04692	Tax Rate Certification File - Motor Vehicles and Boats (V)	This series documents the tax rate for motor vehicles and boats, as submitted and certified by October 1 by the individual taxing jurisdiction. KRS 132.487 requires all applicable taxing districts that propose to levy a tax on motor vehicles to submit to Revenue, on or before October 1 of the year preceding the assessment date, the tax rate to be levied against valuations, as of the assessment date. A district that fails to submit the tax rate on time receives the rate in effect for the prior year. The certificate is signed by a recognized representative of the tax district, i.e., the superintendent of the school board or city treasurer.
	Access Restrictions	None
	Contents	Series may contain: Statement of rate for previous year; statement for current calendar year; signature of tax district representative/title/date/telephone number; notary signature.
	Retention and Disposition	Retain in Agency five (5) years; destroy after audit. NOTE: Retain last copy with authorized signature, if five years has passed without new certification.
04693	County Clerk's Claim for Calculation of Motor Vehicle/Boat Bill File	This series documents the amount due to the County Clerk from the fiscal court for calculating and mailing tax bills. Pursuant to KRS 133.240 (3), the County Clerk is allowed fifteen cents for calculating the state, county and school tax and preparing a tax bill for each motor vehicle taxpayer, based upon certification of the number of accounts as of January 1 of each year. The Department sends the unsigned copy to the County Clerk for completion. The County Clerk has it notarized and forwards it to the fiscal court for reimbursement.
	Access Restrictions	None
	Contents	Series contains: Claim statement; MOTAX printout reflecting number of bills and Calculations.
	Retention and Disposition	Retain in Agency three (3) years; destroy after audit.

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Finance and Administration
Revenue
Sales and Excise Taxes
Miscellaneous Tax - Motor Vehicle Tax

Record Group
Number
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Series	Records Title and Description	Function and Use
04694	Protest File	<p>This series documents the letters of protest and resolution when a taxpayer protests the valuation of an automobile and/or payment of the penalty and interest charged. Pursuant to KRS 132.485, Assessments are conducted by the Property Valuation Administrator (PVA) from a standard manual prescribed by the Department of Revenue for valuing motor vehicles for assessment unless the registrant appears before the PVA to assess the vehicle. The standard value of motor vehicles shall be the average trade-in value prescribed by the valuation manual unless information is available that warrants any deviation from the standard value. Revenue may reduce the tax assessed when the vehicle has high mileage or damage . Series may contain partial files as these may be settled over phone.</p> <p>Access Restrictions KRS 131.190 - Tax Information</p> <p>Contents Series contains: Letter of protest; response; valuation appeal; supporting documentation of damage.</p> <p>Retention and Disposition Retain in Agency one (1) year; transfer to the State Records Center six (6) years. Destroy after audit. Total retention is seven (7) years.</p>
04695	Projected Annual Assessment Report	<p>This series documents the projected assessments for each of the county jurisdictions so the Property Valuation Administrator (PVA) can work in conjunction with district representatives to set tax rates. Property tax estimates for assessed properties are conducted each year for state and local taxes. The report is a working document, one that allows the PVA and district representatives to approximate assessments for the localities. It is used by the Motor Vehicle Branch to compare against totals of previous years and determine if current year assessments are in-line with the projections. Projections are based on the totals of the Property Tax Roll (03366) assessments.</p> <p>Access Restrictions None</p> <p>Contents Series may contain: County; tax code; jurisdiction description (health, library, school, etc.); local, state tax, total; assessed values; monthly breakdown of assessments; January-June totals; July-December totals; January-December totals.</p> <p>Retention and Disposition Retain in Agency one (1) year; destroy.</p>

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Series	Records Title and Description	Function and Use
03736	Purchaser's Report File	This series reflects the report filed with the Department of Property Valuation by oil and gas companies documenting oil and gas purchased. Under the terms of KRS 138.240, every gasoline dealer and every special fuels dealer must submit to Revenue by the 25th of each month, the number of gallons of gasoline and special fuel received in the state. This series is used by Revenue to make sure correct tax returns are filed.
	Access Restrictions	None
	Contents	Series may contain: Name of company; address; county; year; amount purchased from each company; total amount; oil and/or gas well name and/or number.
	Retention and Disposition	Retain in Agency three (3) years; transfer to the State Records Center for four (4) years; total retention is seven (7) years.
03737	Natural Gas and Oil Property Tax Returns	This series reflects the tax return filed with the Department of Property Valuation by all natural gas operators within Kentucky. This information is used to compile the tax bills.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Name; number and street; social security number; city; state; zip code; Federal identification number; instructions; developed property; property located in ? county; year of first production; property number assigned by purchaser; property name and well number; total production (January 1 - December 31); number of producing wells; purchaser name(s); operator's name; total dollar value of production (less severance tax); division of ownership; declaration; name of company; signature of producer/operator; signature of preparer; date.
	Retention and Disposition	Retain in Agency three (3) years; transfer to the State Records Center for four (4) years. Destroy after audit. Total retention is seven (7) years.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Sales and Excise Taxes
Sales and Use Tax

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04834	Sales Tax File (V)	This series identifies registered taxpayers subject to the sales and use tax. It documents activities including but not limited to: the filing of tax returns, transaction posting, processing and administrative maintenance, and provides an online history of data necessary to answer taxpayer inquiries. It verifies tax payments and refund requests, and performs tax discovery and compliance projects. It tracks delinquent accounts and provides the Online System for Collection of Accounts Receivable (OSCAR) with this information.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Name; name of business entity; demographic information; tax type/code; account number(s); validating number(s); tax period; tax history; payment history.
	Retention and Disposition	Delete entries seven (7) years after all account information is complete, clear of litigation, and audit.
04835	Retail Sales and Use Tax Return File (V)	This series documents the sales and use taxes remitted by a seller, retailer, or registered vendor making sales of tangible personal property on the storage, use, or other consumption of tangible personal property, at the rate of six percent. The sales tax is measured by gross receipts from sales, leases or rentals of goods and commodities to consumers; hotel and motel rentals; admission charges; charges for intrastate telephonic and telegraphic services; and nonresidential utility services (sewer, electricity, water and gas). The seller pays the sales tax to Revenue. The tax must be passed on to customers in accordance with the bracket system. However, the seller also pays the tax on taxable gross receipts. The use tax is on tangible personal property used in Kentucky upon which the sales tax has not been paid. The return is used to verify that the proper taxes are paid and that the system computes the math calculations accurately, especially for assessments with proper deductions. It is used to assist taxpayers in the completion of returns and the administration of the law regarding exemptions; that is, what is or is not subject to the tax, who should or should not register, and refund requests. The return, upon receipt, is scanned, then retained in Filenet.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: The retail sales and use tax return and related correspondence.
	Retention and Disposition	Retain in Agency seven (7) years then destroy after audit.
04836	Direct Payment Authorization File (V)	This series documents the approval of particular businesses to pay required sales and use tax. Pursuant to 103 KAR 31:030, direct payment authorization was established to facilitate the payment of the sales and use tax, when the proper tax application could not be determined at the time of purchase. At the time of purchase of tangible property for a manufacturer, transportation company or persons engaged in mining, quarrying, compounding or processing tangible property, and distribution companies or their vendors, determining with certainty the applicability of the tax upon such transactions and, where Revenue finds that it would facilitate and expedite the collection of such taxes, it can authorize the businesses to purchase tangible property without payment of the tax. (Simply, the taxability of property is based upon its use.) Conditions for direct pay authorization are: 1) the applicant is engaged in business and has property; 2) the applicant has a valid Kentucky retail sales and use tax permit; 3) written application is made to Revenue on a form it provides; 4) the applicant agrees to directly report and pay both the tax that would have been remitted to Revenue by the applicant's retailer and the applicant, had the direct pay authorization not been made. Upon receiving authorization, the business is to report purchases made under the authorization, on the retailer's tax return, due the 20th of each month; 5) the authorization is non-transferable and can be terminated upon notice by registered mail; 6) Revenue may request a bond or indemnity agreement securing not less than one month's estimated tax liability.
	Access Restrictions	KRS 131.190 - Tax Information
	Contents	Series may contain: Letter of authorization; application from the business.
	Retention and Disposition	Retain in Agency; destroy seven (7) years after closure of business and audit.

STATE AGENCY RECORDS RETENTION SCHEDULE

Finance and Administration
Revenue
Sales and Excise Taxes
Sales and Use Tax

Record Group
Number
2560

Series	Records Title and Description	Function and Use
04837	<p>Constitutional Purchase Exemption Application File (V)</p> <p>Access Restrictions</p> <p>Contents</p> <p>Retention and Disposition</p>	<p>This series documents the exemption authorization of approved organizations such as educational, charitable, or religious entities; or local, state, or federal governments. A certified statement from the Internal Revenue Service automatically qualifies organizations within Kentucky. There also are some exemptions approved through Revenue. Compliance efforts are made through verifications or updates of status and field audits of suppliers.</p> <p>KRS 131.190 - Tax Information</p> <p>Series may contain: Application; approval letter; Internal Revenue Service waiver (requirement for groups with small budgets); determination letter from a local public official; supplementary attachments; statement of receipts and disbursement (to see if purchases are in line with government exemption guidelines).</p> <p>Retain in Agency; destroy seven (7) years after closure of business and audit.</p>
04838	<p>Energy Direct Pay File (V)</p> <p>Access Restrictions</p> <p>Contents</p> <p>Retention and Disposition</p>	<p>This series documents the authorization of organizations or companies to directly pay the tax on energy purchases up to the maximum of 3% of their production costs. Under the terms of KRS 139.480, all energy or energy-producing fuels used in the course of manufacturing, processing, mining, or refining, to the extent the cost of the energy used exceeds three percent of the cost of production, is tax exempt. The exemption services the high energy consumer. The cost of production is computed on the basis of plant facilities and all permanent structures affixed to property at one location, and figures of production costs from the previous year. The application for the energy direct pay authorization is made upon a form prescribed by tRevenue. The applicant sets forth an itemization of the accounts included in the computation of cost production. An authorization is not used for purchases other than energy or energy-producing fuels used in the course of manufacturing, industrial processing, mining, or refining. The program tracks demographics of authorized companies and businesses, and provides account information. It generates a business annual return, which is dependent on when its fiscal year begins.</p> <p>KRS 131.190 - Tax Information</p> <p>See File Layout</p> <p>Retain in Agency; destroy seven (7)years after closure and audit.</p>
04864	<p>Sales Tax History File (V)</p> <p>Access Restrictions</p> <p>Contents</p> <p>Retention and Disposition</p>	<p>This series documents various activities, transactions and communications with taxpayers. It is created when the agency or organization has needs or business with Revenue, aside from the submission of tax returns and tax payments. The series is very similar to a correspondence file. The term history relates to the need to retain documentation of taxpayer activities over periods of time.</p> <p>KRS 131.190 - Tax Information</p> <p>Series may contain: General correspondence, such as exempt/non-exempt, assessments, adjustments, filing frequencies, responses; credit authorization; amended returns; refund application.</p> <p>Retain in Agency then destroy seven (7) years after cancellation of account and audit.</p>

Electronic System With Included Records Series

Finance and Administration Cabinet

Department of Revenue

Division of Operations

System Description: The Department of Revenue (DOR) uses this application to store tax information that has been purged from other systems. The data goes back to 1992 and is used to work amended returns and existing tax bills.

System Contents: The application has two options - History option and PF3 option. The history option has the data that was data entered for the return that was originally found on the Viking and ELF systems. The PF3 option has income tax summary information that was originally found on the Individual Income Tax system.

General Schedule Items:

System Title: 92 Search

Alternate Title: NC Search

Series #: ***Series Title:***

Disposition Instructions:

04149 Individual Tax Return File

Retain in Agency five (5) years; destroy

Electronic System With Included Records Series

Finance and Administration Cabinet

Department of Revenue

Electronic Security

System Description: The Application Activity System (AAS) documents activities and transactions on the Department of Revenue's centralized security system. The system is involved with controlling user activity, including the levels and types of activity, approval routings, dollar thresholds, and delegate authorities.

The first level of security for the Department's mainframe applications is through the Resource Activity Control Facility (RACF). AAS supplements RACF by providing a second level of security for certain systems. AAS controls or checks the activities a Department employee is allowed to perform, once they are given RACF access.

AAS is also used to supplement security for mainframe programs utilized. These programs include the File Requisition System, On-Line Journal Voucher System, Compliance and Receivables System (CARS), and the On-Line Business Tax Refund System (business, corporation, individual income).

Primary features of the system include the ability to create and inquire, and maintenance user access in an on-line, real time environment; to direct, electronically, updates to the employee's approver, and control the refund dollar amount of approval a supervisor can authorize; to control multiple levels of approval; to maintain an audit trail of access changes; and to provide a complete name, address, and employee information that is utilized to provide signature blocks on system correspondence sent to taxpayers. The common data (user identification) and audit trail records are two screens of primary value to the agency.

System Contents: Application Activity System data is stored on a DB2 Database. Information is added, modified, or deleted only by authorized members in the Revenue Security Office.

General Schedule Items:

System Title: Application Activity System

Alternate Title: AAS

Series #: ***Series Title:***

Disposition Instructions:

E0028 System Users Access Records

Destroy one (1) year after the individual no longer has access to the system but not before audit requirements for the records modified by that individual have been met.

Electronic System With Included Records Series

Finance and Administration Cabinet

Department of Revenue

Division of Income Taxation

System Description: The Automated Refund Tax Information System (ARTIS) is the Department of Revenue's (DOR) voice response system. The Automated Refund and Tax Information System is a touch-tone telephone system designed to provide information to taxpayers about their individual income tax return. Information about electronically filed returns and returns using the preprinted bar-coded labels should be available within 72 hours of receipt. Information about refund request returns filed without the preprinted bar-coded labels will be available after the return has completed initial processing (approximately 12 weeks).

The ARTIS number is (502) 564-1600. It is available 24 hours a day, 7 days a week. To use ARTIS, taxpayers must know the Social Security number listed first on the return, and the exact whole dollar amount to be refunded. Information such as acknowledgement of the receipt of the return or when the refund was mailed is available through ARTIS. ARTIS is available to all taxpayers filing their individual income tax returns electronically.

System Contents: Upon calling ARTIS, the caller receives recorded instructions for using ARTIS. IVR Script standards were written for the system and are in place.

Production support runs daily jobs that create a file that is transferred to the ARTIS. Data in ARTIS is overwritten with the most recent information via the daily files. The data is backed up on a regular basis and retained until the next tax year begins.

Data will come to the Voice Response system in three separate file orders:

- 1) Bar Code – This data includes taxpayers that have sent in returns and have gone through bar-coding process.
- 2) Taxpayer – This file is created and maintained on the Mainframe and is shipped down to the server.
- 3) Checks – This file is created and maintained on the server.

General Schedule Items:

<i>System Title:</i>	Automated Refund Tax Information System	<i>Alternate Title:</i>	ARTIS
<i>Series #:</i>	<i>Series Title:</i>	<i>Disposition Instructions:</i>	
04149	Individual Tax Return File	Retain in Agency five (5) years; destroy	

Electronic System With Included Records Series

Finance and Administration Cabinet

Department of Revenue

System Description: Compliance and Receivables System/Online System for Collections of Accounts Receivable System serve as the central repository of all accounts receivable information for taxes, interest, fees, and penalties owed to the Revenue Cabinet. The Compliance and Receivables System (CARS) is the largest interrelational database of its kind in Kentucky State Government. It interfaces with the Online System for the Collection of Accounts Receivable (OSCAR) in such a way that the systems operate as one system with two points of entry. Through CARS, employees perform billing, bill maintenance and bill approvals online in a real time environment. CARS customizes notices and correspondence to taxpayers. It processes all accounts receivable payments and provides information to the Accounts Receipts Posting System (NOS). It interfaces with all the tax systems (Individual, Sales and Use, Corporation, Withholding, Miscellaneous, Coal, and the Cross Reference Index System) and the KY Online System for Collection of Accounts Receivable (OSCAR). It tracks the payment record by tax type. CARS provides OSCAR with all bill information, and, also, gathers statistical information for the Cabinet and other state agencies, including information to facilitate revenue forecasting. The purge file in CARS identifies bills that are paid in full.

System Contents: Payment information, account and identification numbers, payment amounts, interest amounts, tax period, tax type, name, address, penalties, fees, and audit information.

General Schedule Items:

System Title: Compliance and Receivables System/Online System **Alternate Title:** CARS/OSCAR
for Collections of Accounts Receivable System

Series #:	Series Title:	Disposition Instructions:
04638	Notice of Tax Due	Retain in Agency three (3) years and destroy after audit
04651	Electronic Filing Transfer Folder	Retain in Agency two (2) years; transfer to the State Records Center for three (3) years. Destroy after audit. Total retention is five (5) years.
04652	Daily Accounts Receivable Journal Voucher Printout	Retain in Agency two (2) years; transfer to the State Records Center for three (3) years. Destroy after audit. Total retention is five (5) years.
04653	Daily Payment Listing (162) Printout File	Retain in Agency two (2) years and transfer to the State Records Center. Destroy after audit. Total retention is five (5) years.

System Title: Compliance and Receivables System/Online System **Alternate Title: CARS/OSCAR**
for Collections of Accounts Receivable System

<i>Series #:</i>	<i>Series Title:</i>	<i>Disposition Instructions:</i>
04655	Daily CARS Printout Report File	Retain in Agency two (2) years; transfer to the State Records Center for three (3) years. Destroy after audit. Total retention is five (5) years.
04656	Monthly CARS Account Receivables Report File	Retain in Agency two (2) years; tTransfer to the State Records Center for three (3) years. Destroy after audit. Total retention is five (5) years.
04757	Notice of Seizure/Tax Lien on Marijuana or Controlled Substances File	Retain in Agency seven (7) years; destroy after audit
04775	Assessment Tax Billings File--PSC, RECC, RTCC*	Retain in Agency three (3) years and destroy after audit
04778	Individual Bill File - Motor Vehicle Tax	Retain in Agency five (5) years and destroy after audit
04820	Check Register File	Retain in Agency five (5) years; destroy after audit
04905	Audit Report and File	Retain in Agency and destroy fifty (50) years after closure of all audit and collection activities
04914	Receipt of Land Redemptions/Certificate of Delinquency File	Retain in Agency, destroy three (3) years after bill is paid and audit

Electronic System With Included Records Series

Finance and Administration Cabinet

Department of Revenue

Division of Property Valuation/State Valuation Branch

System Title: Centrally Assessed Property System

Alternate Title: CAPS

System Description: The system maintains current and historic assessment data, certification data and tax rate data, estimate data, local tax distribution data and produces tax and certification notices for 1200+ centrally assessed companies.

System Contents: Assessment data, certification data, tax data & calculations, demographic data, dates, Social Security Numbers, Federal Identification Numbers, addresses, company types and codes, valuation formulas and programs, formatted reports and letters. Input records include tax return data, company financial reports and statements, Public Service Commission annual report data, 10K Annual report data, FAA report data, US Army Corp of Engineers report data, FlightAware report data, ValueLine report data, and TVA property. Output records include assessment notices, tax billings, reports, letters, spread sheets, certification notices and statistical reports.

<i>Series #:</i>	<i>Series Title:</i>	<i>Disposition Instructions:</i>	<i>Total Retention:</i>
03921	State Assessed Intangible Properties Tax Return File	Transfer to the State Records Center. Destroy after audit	7
04701	Public Service Company Assessment and History Database	Delete entries after seven years, and audit	7

Electronic System With Included Records Series

Finance and Administration Cabinet

Department of Revenue

Corporation Tax

System Description: The Corporate Coding System stores both scanned images and keyed data of original and amended Corporation Income, Limited Liability and Pass-through Entity returns submitted to the Department of Revenue. All compliance billing and refund requests for the Division are identified in Fasttrieve based upon specified error codes.

System Contents: Contains scanned and keyed data as reported to the Department of Revenue on the Corporation Income, Limited Liability and Pass-through Entity returns. Contains the following data: Taxpayer name and address, federal identification, validating, and corporation account numbers, tax return data. The tax returns are scanned by DOR staff and sent to Sourcecorp (third party vendor) for data entry.

General Schedule Items:

System Title: Corporate Coding System

Alternate Title: Fasttrieve

Series #: ***Series Title:***

Disposition Instructions:

04859 Corporation Income, Limited Liability and License Tax Return File

Retain in Agency. Destroy seven (7) years after all account information is final (code 4), canceled (code 5), or defunct (code 7), has had no transactions except clearing card transactions, or a never liable (code 8), with a status code date greater than one year, and audit.

Electronic System With Included Records Series

Finance and Administration Cabinet

Department of Revenue

Corporation Tax

System Description: This is a mainframe application that is used in the administration, collection and auditing of the corporation tax. It is used to document and identify registered taxpayers subject to corporation income, Limited Liability Entity tax (LLET) and license tax, control filing delinquencies, provide online access necessary to answer taxpayer inquiries, verify tax payments and refund requests, and is used to perform tax discovery and compliance projects.

The system contains tax data and administrative information historically collected to effectively administer the provisions of the Corporation Income, LLET and License Tax Law. The system assists in ensuring that each taxpayer pays the appropriate amount of tax on taxable transactions and files the required return.

System Contents: This is a mainframe application that is used in the administration, collection and auditing of the corporation tax. It is used to document and identify registered taxpayers subject to corporation income, Limited Liability Entity tax (LLET) and license tax, control filing delinquencies, provide online access necessary to answer taxpayer inquiries, verify tax payments and refund requests, and is used to perform tax discovery and compliance projects.

The system contains tax data and administrative information historically collected to effectively administer the provisions of the Corporation Income, LLET and License Tax Law. The system assists in ensuring that each taxpayer pays the appropriate amount of tax on taxable transactions and files the required return.

General Schedule Items:

System Title: Corporation Tax System

Alternate Title: Business Tax System

Series #: Series Title:

Disposition Instructions:

04859 Corporation Income, Limited Liability and License Tax Return
File

Retain in Agency. Destroy seven (7) years after all account information is final (code 4), canceled (code 5), or defunct (code 7), has had no transactions except clearing card transactions, or a never liable (code 8), with a status code date greater than one year, and audit.

Electronic System With Included Records Series

Finance and Administration Cabinet

Department of Revenue

System Description: The Cross Reference Index System (CRIS) is used to assign and maintain tax accounts and common information assigned to businesses for the major business tax types: Employer's Withholding, Sales and Use, Consumer's Use, Transient Room, Motor Vehicle Tire Fee, Corporation Income, Limited Liability Entity, Telecommunications, Utility Gross Receipts License tax.

System Contents: The Cross Reference Index System (CRIS) contains keyed information provided by taxpayers on Kentucky Tax Registration Applications, Update or Cancellation of Kentucky Tax Account(s) forms or provided to DOR through other sources such as Streamline Sales Tax (SST), Audits, the Discovery system and etc. The information is entered by Revenue staff or Streamline Sales Tax batch processes to assign accounts or maintenance existing account information. Information keyed to assign accounts consists of items such as: Business Name, Doing Business As Name (DBA), Federal Employer Identification Number (FEIN), Mailing and Location Addresses, County Codes, District Codes, Mailing and Location Phone Numbers, Accounting Period, Responsible Party Name(s), Responsible Party Address(es), Responsible Party Social Security Number(s), Responsible Party FEIN(s), Responsible Party Title(s), Responsible Party Start Date(s), Responsible Party Phone Number(s), Ownership Type, State of Incorporation/Organization/Qualification, Date of Incorporation/Organization/Qualification, North American Industrial Classification System (NAICS) code, Standard Industry Classification (SIC) code, Business Codes for Employer's Withholding and Sales and Use Tax, Liability Date(s), Filing Frequency, Estimated Number of Employees, Sales Tax Branch Locations, SST Number, SST Nexus Status, and SST Model Code.

Once information is keyed into CRIS for account assignment, much of the data is passed from the CRIS system into other mainframe systems (Sales and Use Tax, Withholding Tax, Corporation Tax, Telecommunications system, UGRLT system, E-Tax system) which maintain the return filing and payment history for the accounts.

General Schedule Items:

System Title: Cross Reference Index System

Alternate Title: CRIS / Business Tax System

Series #: ***Series Title:***

Disposition Instructions:

04670 Taxpayer Registration Application File

Retain in Agency paper records five (5) years, destroy. Delete electronic records four (4) years after accounts are cancelled and cleared.

Electronic System With Included Records Series

Finance and Administration Cabinet

Department of Revenue

Division of Registration and Data Integrity

System Description: The Discovery System is a visual basic system which contains tax case information. It allows a user to use the related import program to automatically create compliance cases from .txt files provided from the Secretary of State's office. It also allows the user to manually create compliance cases from information provided from other various sources federal, state, and local agency information as well as third party information. Examples include: Worker's Compensation, Unemployment Insurance, Audit, South Eastern Association of Tax Administrators (SEATA), and etc. Each Discovery case is worked by a Revenue employee to determine whether the taxpayer listed within the case is properly registered for the major business taxes: Employer's Withholding, Sales and Use, Consumer's Use, Transient Room, Motor Vehicle Tire Fee, Corporation Income, Limited Liability Entity, Telecommunications, Utility Gross Receipts License, Coal Severance and Processing, and the Coal Purchaser/Seller Certificate ID#. If not properly registered, the system allows the user to send correspondence, make case notes, set reminders, and change the case status in an attempt to compliance the taxpayer for Registration purposes.

System Contents: The system contains information entered by Division of Registration staff concerning possible non-compliant taxpayers. The information is entered manually for paper leads or automatically from a .txt file received from the Secretary of State's office. Information consists of Name, Address Lines, City, State, Zip Code, Country, Phone Numbers, Social Security Numbers, Federal Employer Identification Numbers, Ownership Type, State of Incorporation, Date of Incorporation, North American Industrial Classification Number, Standard Industry Classification Number, Source of Information, address history for address changes, name change history for name changes, tax account numbers, history of correspondence sent per case as well as case notes entered by Division of Registration staff working the case.

General Schedule Items:

System Title: Discovery

Alternate Title: Tax Gap Results, BusTR, or TGR

Series #: ***Series Title:***

Disposition Instructions:

04670 Taxpayer Registration Application File

Retain in Agency paper records five (5) years, destroy. Delete electronic records four (4) years after accounts are cancelled and cleared.

Electronic System With Included Records Series

Finance and Administration Cabinet

Department of Revenue

Corporation Tax

System Description: The Economic Development Tax Credits Database is used to store the amount of Economic Development Tax credits claimed on both Corporation Income, Limited Liability and Pass-through Entity returns (income tax credits) and Withholding Tax returns (wage assessment credits).

System Contents: The Tax Credits Database contains demographic information for taxpayers including: name, address, account number, project number, type of credit, start and end dates, and approved credit amount. There is separate demographic information for both income tax credits and wage assessment credits. This information is received from the Cabinet for Economic Development and entered into the database. Both the income tax credits and wage assessment credits are entered into the database based on review of the appropriate schedules included with the Corporation Income, Limited Liability and Pass-through Entity return or reports submitted for the wage assessment credits. All information and credits are entered by the Tax Credits Section Staff.

The Tax Credits Database is used to generate reports of Economic Development Tax credits claimed. The report for credits claimed on Corporation Income, Limited Liability and Pass-through Entity returns is generated on a quarterly basis to report the credit type, amount of credit recorded during the quarter, and the total amount of credit to date. The report for credits claimed on Withholding Tax returns is generated annually to report the credit type, the amount of credit recorded during the year, and total amount of credit to date.

General Schedule Items:

System Title: Economic Development Tax Credits Database

Alternate Title: Tax Credits Database

Series #: Series Title:

04863 Economic Development Tax Credit Program

Disposition Instructions:

Destroy seven (7) years after all account information is final (code 4), canceled (code 5), or defunct (code 7), has had no transactions except clearing card transactions, or a never liable (code 8), with a status code date greater than one year, and audit

Electronic System With Included Records Series

Finance and Administration Cabinet

Department of Revenue

Division of Operations

System Description: The Electronic Filing System (ELF) is a web application located on the Intranet for the Kentucky Department of Revenue (DOR). ELF is designed to process individual income tax return data that is submitted electronically. The system processes approximately 1.5 million individual income tax returns a year.

Tax data is transmitted to the Internal Revenue Service (IRS) through third party vendors. The IRS uses a portal to make available the data to states. DOR can retrieve the data if the taxpayer has elected to file an electronic Kentucky return. The information is downloaded from the IRS using PowerTerm Interconnect Software. The data is reviewed for file formatting errors. All returns will be accepted or rejected. Rejected returns will not be processed in ELF. An acknowledgement status is returned to the IRS. Some of the review of the errors is automated and some of it requires user intervention.

ELF also handles paper returns, including 2D Barcode returns, processed by a third party vendor. Data from the paper returns are placed in an electronic format and transmitted to the ELF system for processing much the same way as the IRS transmitted returns.

System Contents: Individual income tax return information such as personal demographics, income data, adjustments, deductions, refundable & non-refundable credits, personal tax credits, tax liability, additional tax or overpayment information and refund/payment information is contained in ELF.

The 3 main system menus include Activities, Reports & System Maintenance. The Activities menu contains tasks that are used by DOR employees to process returns or files. The Reports menu contains various statistical/analytical/ system logs/queries available upon request. Reports can be printed upon demand.

The System Maintenance menu provides access to forms maintenance, calculations/edits, vendor verification/testing and other system maintenance tasks.

General Schedule Items:

<i>System Title:</i> Electronic Filing System	<i>Alternate Title:</i> ELF
<i>Series #:</i> 04149	<i>Series Title:</i> Individual Tax Return File
	<i>Disposition Instructions:</i> Retain in Agency five (5) years; destroy

System Title: Electronic Filing System

Alternate Title: ELF

Series #: ***Series Title:***

Disposition Instructions:

04645 Declaration for Electronic Filing

Retain in Agency five (5) years and destroy after audit

Electronic System With Included Records Series

Finance and Administration Cabinet

Department of Revenue

Division of Registration and Data Integrity

System Description: The Federal Discovery System is a visual basic system designed around a database of tax case information. It allows users to automatically import and create compliance cases from files provided from DOR's Disclosure Office from information sent by the Internal Revenue Service. Each Discovery case is worked by a Division employee to determine whether the taxpayer listed within the case is properly registered for the major business taxes: Employer's Withholding, Sales and Use, Consumer's Use, Transient Room, Motor Vehicle Tire Fee, Corporation Income, Limited Liability Entity, Telecommunications, Utility Gross Receipts License, Coal Severance and Processing, and the Coal Purchaser/Seller Certificate ID#. If not properly registered, the system allows the user to send correspondence, make case notes, set reminders, and change the case status in an attempt to compliance the taxpayer for Registration purposes.

System Contents: The system contains information provided by the IRS and also entered by Division of Registration staff concerning possible non-compliant taxpayers. Information consists of Name, Address Lines, City, State, Zip Code, Country, Phone Numbers, Social Security Numbers, Federal Employer Identification Numbers, Ownership Type, State of Incorporation, Date of Incorporation, North American Industrial Classification Number, Standard Industry Classification Number, Source of Information, address history for address changes, name change history for name changes, tax account numbers, history of correspondence sent per case as well as case notes provided by the IRS concerning business activities and those entered by Division of Registration staff working the case.

General Schedule Items:

System Title: Federal Discovery System

Alternate Title:

Series #: ***Series Title:***

Disposition Instructions:

04670 Taxpayer Registration Application File

Retain in Agency paper records five (5) years, destroy. Delete electronic records four (4) years after accounts are cancelled and cleared.

Electronic System With Included Records Series

Finance and Administration Cabinet

Department of Revenue

Divison of Operations

System Description: The File Requisition system is a mainframe application that allows a Department of Revenue (DOR) employee to electronically request a tax return, folder, and/or other documents stored in the Central Files Section.

All tax types are stored in Central Files. The Compliance and Taxpayer Assistance Division, Department of Tax Administration makes the most use of the tax returns filed in Central Files. The returns are used by DOR employees to verify filing, match federal data, complete audits, provide taxpayer assistance, and various correspondence requirements.

The requisition information is transmitted to a TSO print job and a requisition number is assigned. An authorized Central Files worker generates a copy of the file requisition from TSO and assigns the requisition to another Central Files worker to pull the file. The Central Files actions are tracked on the transfer acceptance screen which provides a status of the requisition.

The file is pulled, scanned and refiled. The scanned file is posted to FileNet and transferred to a FileNet ID. At this point, an authorized Central Files worker delegates and accepts the transferred file which allows it to be accessed on FileNet by the requestor. The requestor checks the tracking status on the File Requisition system to determine when the file is available on FileNet.

System Contents: The File requisition system request screen contains the following information: type of file requested, tax type, validating number, account number, taxpayer name, year or period, requestor information, comments, and sensitive information indicator.

A transfer acceptance screen tracks the status of the requisition. The following information is listed: validating number, tax type, account number, year or period, taxpayer name, file type, requisition number and tracking status.

General Schedule Items:

<i>System Title:</i>	File Requisition System	<i>Alternate Title:</i>
<i>Series #:</i>	<i>Series Title:</i>	<i>Disposition Instructions:</i>
04149	Individual Tax Return File	Retain in Agency five (5) years; destroy
04830	Employer Withholding Tax Return File	Retain in Agency seven (7) and destroy after audit

System Title: File Requisition System

Alternate Title:

Series #: ***Series Title:***

Disposition Instructions:

04835 Retail Sales and Use Tax Return File

Retain in Agency seven (7) years and destroy after audit

04859 Corporation Income, Limited Liability and License Tax Return
File

Retain in Agency. Destroy seven (7) years after all account information is final (code 4), canceled (code 5), or defunct (code 7), has had no transactions except clearing card transactions, or a never liable (code 8), with a status code date greater than one year, and audit.

Electronic System With Included Records Series

Finance and Administration Cabinet

Department of Revenue

Individual Income Tax

System Description: The Individual Income Tax system (IIT) is a mainframe application that is used to document income tax information on individuals who file returns each year. The system provides automated retrieval of individual income tax information; conducts compliance programs; provides taxpayer assistance; audits tax returns; and conducts other activities to ensure the collection of taxes due. It provides a source for determining individual returns filed, payments made, and refunds issued.

The IIT system audits a return through electronic edits, controls the processing, and compiles information required to mail the return for future periods. It retains historical data and statistics, produces an audit trail, provides refund offsets against outstanding debts, and identifies duplicate refund claims. It provides a way for users to review and adjust returns.

Information for the IIT system is received from the Electronic Filing System (ELF), Viking and MFE/Fastrieve. The IIT system interfaces with the Treasurer's Office and the Finance Cabinet to prepare and produce refund checks. It produces billing and collection information to be uploaded to the Compliance and Receivable System/On-line System for the Collection of Accounts Receivable (CARS/OSCAR). It also provides information to the Automated Retrieval Tax Information System (ARTIS).

System Contents: The Individual Income Tax summary section contains taxpayer information such as name and address. It also includes the validating number, document code, filing status, type of return, tax year, payment transaction code, indicator of whether a payment and the return, dropout/kickout code, error code, check #, transaction amount and process date.

The Income Tax Declaration system contains information regarding declaration payments made by the taxpayer. The user and automated edit process use this system for verification of individual income tax declaration payments.

The Dropout/Kickout system's primary purpose is to provide a platform where returns that fail specified requirements can be reviewed and adjusted. Field edits are in place to aid in auditing the return. Audited fields are listed on the dropout/kickout screens showing the amount the taxpayer has claimed and the amount the system has calculated. An additional field is available for each field for the user to adjust the amount. The system recalculates balances based on adjustments to fields. Users have the ability to refer the return to another person/unit for additional review/action through this function. Access is restricted and an approval hierarchy exists for transactions.

The Tax Refund System's primary function is to provide a mechanism to generate refunds. Access is restricted and an approval hierarchy exists for transactions. This function is also used by other tax types.

The Change Taxpayer Information function allows the user to change the taxpayer's demographic information and tax type for future mailings.

The Application Access option allows for the maintenance of security levels, controlling user activity, including levels and types of activity, approval routings, dollar thresholds, and delegate authorities. This function restricts access and actions to authorized users based on the security level assigned. It supplements RACF by providing a second level of security. It controls the activities an employee is allowed to perform once through the RACF access. It provides the employee information used for correspondence. An audit trail of access changes is maintained.

The On-line Journal Voucher system's primary purpose is to provide the capability to manually transfer funds between accounts, tax types and tax periods. Access/actions are restricted and edits prevent unavailable funds from being redirected. An approval hierarchy exists for transactions.

General Schedule Items:

<i>System Title: Individual Income Tax System</i>		<i>Alternate Title: IIT</i>
<i>Series #:</i>	<i>Series Title:</i>	<i>Disposition Instructions:</i>
04149	Individual Tax Return File	Retain in Agency five (5) years; destroy
04150	Partnership Tax Return File	Retain in Agency five (5) years; destroy
04151	Fiduciary Tax Return File	Retain in Agency five (5) years; destroy
04636	Kentucky Estimated Tax Voucher File	Retain in Agency five (5) years and destroy after audit.

Electronic System With Included Records Series

Finance and Administration Cabinet

Department of Revenue

Individual Income

System Description: The Kentucky Revenue Cabinet Individual Income Tax System (KRCIIT) documents Revenue compliance efforts, by utilizing Internal Revenue System (IRS) data matched against state filer information. Each year the Department identifies more than 250,000 nonfilers and under-reporters by using the federal tax database. KRCIIT tracks the taxpayer's adjusted gross income, which should match the first line of their state tax return, with the federal IRS report. If the amount doesn't match, a letter is sent to the taxpayer, noting the difference. KRCIIT has a CP2000 feature that tracks billings for omitted income adjustments from the IRS. It also tracks audits conducted by the IRS. Individuals who file a federal return from a KY address are also checked for compliance.

System Contents: Taxpayer name, address, tax return data which includes income information and deductions.

General Schedule Items:

System Title: Kentucky Revenue Cabinet Individual Income Tax System **Alternate Title:** KRCIIT

Series #: **Series Title:**

Disposition Instructions:

04149 Individual Tax Return File

Retain in Agency five (5) years; destroy

Electronic System With Included Records Series

Finance and Administration Cabinet

Department of Revenue

Division of Registration and Data Integrity

System Description: The Lottery System is a visual basic system designed around a database of case information. It allows the user to manually create cases from information provided on the Lottery Retailer License application or re-licensing application as provided to the Department of Revenue (DOR) by the Kentucky Lottery Corporation. The vendors must have a tax clearance from the Department of Revenue before the Lottery Corporation can approve the application to participate in the program. Vendors must submit a re-application every two (2) years. KRS 154A.400 (1) (b) provides that the applicant be "current in filing all applicable returns and in payment of all taxes, interest and penalties owed to the Commonwealth of Kentucky, excluding items under formal appeal pursuant to applicable statutes." The Department of Revenue verifies that there are no outstanding tax filings or liabilities. The vendor must remain in good standing with Department of Revenue in order to continue to sell Lottery Corporation products. A DOR employee must review a Lottery applicant's information to determine whether tax clearance is met. The Department notifies the Lottery Corporation of whether applicants have met or not met requirements. Those that have not met requirements are prohibited from obtaining an initial Lottery license or from being relicensed until they resolve the outstanding issues to meet requirements. The Lottery system allows the user to input information and notes concerning the status of an applicant and to change the status to approved or denied.

System Contents: The Lottery system contains keyed information such as: Business Name, Doing Business As Name (DBA), Lottery Retailer Number, Federal Employer Identification Number (FEIN), Cross Reference Index System (CRIS) number, Mailing and Location Address(es), Phone Numbers, Responsible Party Name(s), Responsible Party Social Security Number(s), Responsible Party FEIN(s), Responsible Party Title(s), Ownership Type, history of correspondence sent per case as well as case notes entered by DOR staff working the case.

General Schedule Items:

System Title: Lottery System	Alternate Title:
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Series #:	Series Title:	Disposition Instructions:
04670	Taxpayer Registration Application File	Retain in Agency paper records five (5) years, destroy. Delete electronic records four (4) years after accounts are cancelled and cleared.
04997	Lottery Vendor Application File	Retain in Agency and destroy paper records after four (4) years; delete electronic records four (4) years after last clearance request.

Electronic System With Included Records Series

Finance and Administration Cabinet

Department of Revenue

Division of Operations

System Description: The Modernized Front End (MFE) Processing System is used by the Division of Operations to process Sales Tax, Withholding Tax, Accounts Receivable and Unemployment Insurance forms, correspondence and remittances. The system captures images of all documents through high speed scanners (Scan Optics SO Series) and attempts to read the data on these forms through different types of software also known as OCR/ICR. Also, through in-line forms recognition the scanners are able to form transactions and spray each document in the transaction with a unique document locator number. This number ties the entire transaction together.

System Contents: There are a number of applications that operate behind the scenes that enable the transactions scanned to move through the processing system. The background apps are always running and they poll for transactions that have moved forward in processing. The MFE is a mixture of these background applications and applications that require human intervention: Form Identification, Field Correct Deposit Critical, Auto Balance, Manual Balancing, Validation/Encoder, Encoding Subsystem, Field Correct Non-Deposit Critical, Doc Level Exceptions, Workflow Queues

General Schedule Items:

System Title: Modernized Front End Processing System

Alternate Title: MFE

Series #: Series Title:

Disposition Instructions:

04149	Individual Tax Return File	Retain in Agency five (5) years; destroy
04830	Employer Withholding Tax Return File	Retain in Agency seven (7) and destroy after audit
04835	Retail Sales and Use Tax Return File	Retain in Agency seven (7) years and destroy after audit
04859	Corporation Income, Limited Liability and License Tax Return File	Retain in Agency. Destroy seven (7) years after all account information is final (code 4), canceled (code 5), or defunct (code 7), has had no transactions except clearing card transactions, or a never liable (code 8), with a status code date greater than one year, and audit.

Electronic System With Included Records Series

Finance and Administration Cabinet

Department of Revenue

Division of Property Valuation/State Valuation Branch

System Title: Motor Vehicle Tax System

Alternate Title: OPSSYS/TIPS

System Description: This system calculates and distributes both personal property taxes and motor vehicle usage taxes on vehicles which are subject to the KY personal property and the motor vehicle usage tax, but have not been issued tax notices by the county clerk's offices.

System Contents: Name, address of owner & operator of vehicles, vehicle plate number, vehicle identification number, description of vehicle, tax year, county name & district number where the vehicle is located, taxable value of vehicle, date tax notice is issued, amount of tax, penalty and interest due, date bill is voided, amount of void, date and amount of amended bill, date and amount of refund issued, date and amount of monthly payment received, total amount collected and distributed, county rates and districts. Output records include reports showing in each month the amount billed, voided, amended, collected and refunded. Financial reports per payment type (partial, full, partial/paid in full) and the amount of collections distributed to counties each quarter. Reports showing payment information such as payments which are ready for distribution to counties and payments which are not ready for distribution.

<i>Series #:</i>	<i>Series Title:</i>	<i>Disposition Instructions:</i>	<i>Total Retention:</i>
04697	Property and Usage Tax Technical Information Processing ("TIP") Database	Delete paid/closed entries after five years, and audit	5
04698	Omitted Property System (OPSSYS)	Delete paid/voided entries after seven years and audit	7

Electronic System With Included Records Series

Finance and Administration Cabinet

Department of Revenue

Division of Property Valuation

System Title: Non County Distribution System

Alternate Title: NCD

System Description: The purpose of this system is to distribute money each quarter to jurisdictions for the Division of Property Valuation.

System Contents: Demographic, tax rates, active/inactive jurisdictions, contacts, totals from previous quarters, reports from previous quarters. Input records include demographic information, amount of money to be given to each jurisdiction, dates, contacts, rates. Output records include quarterly distribution reports listing the amount of money distributed to each jurisdiction, letters to each jurisdiction stating moneys/origin of monies distributed, list of checks for Treasury, report for Fiscal Court, state totals, summary of each taxing jurisdiction with address.

<i>Series #:</i>	<i>Series Title:</i>	<i>Disposition Instructions:</i>	<i>Total Retention:</i>
04700	Tax Distribution System	Delete entries after three years, and audit	3

Electronic System With Included Records Series

Finance and Administration Cabinet

Department of Revenue

Individual Income Tax

System Description: The Post Audit Database documents Individual Income Tax Returns that are reviewed for audit. All returns are entered into the database to be checked against pre-determined criteria which identify and flag returns selected for audit.

The database generates correspondence and tracks the amount of correspondence sent to individuals. It also contains fields for notes, adjustments, protests, and documents what is done upon the completion of an audit (but not the specific changes in detail).

Note: The system does not retain all the returns initially entered, only those that were audited.

System Contents: Revenue agent notes and correspondence; individual income tax returns; copies of taxpayer information; correspondence; audit outcomes

General Schedule Items:

System Title: Post Audit Database

Alternate Title:

Series #: Series Title:

Disposition Instructions:

04149 Individual Tax Return File

Retain in Agency five (5) years; destroy

04826 Individual Income Post-Audit File

Retain in Agency and destroy seven years after closure of audit

Electronic System With Included Records Series

Finance and Administration Cabinet

Department of Revenue

Division of Property Valuation/Local Valuation Branch

System Title: Tax Roll Information Management System ***Alternate Title:*** TRIM

System Description: This system allows for the management of county tax rolls. The PVA can print tax rolls and tax bills using the system.

System Contents: Assessments, Property characteristics, property descriptions, map information, and tax rates. Input records include deeds and property record cards. Output records include tax rolls, tax bills and assessment notices.

<i>Series #:</i>	<i>Series Title:</i>	<i>Disposition Instructions:</i>	<i>Total Retention:</i>
04680	Tax Roll Information Management System (TRIM)	Delete entries after three years	3

Electronic System With Included Records Series

Finance and Administration Cabinet

Department of Revenue

Division of Operations

System Description: Viking is a data entry software tool used by Department of Revenue staff to key in data from paper tax returns, payments and estimated tax payments/vouchers. The returns can be current or prior year returns, amended, fiduciary, resident, non-resident return types.

System Contents: Data such as the validating number, social security number, political party designation, name, address, tax year, filing status, dependent information, and family size information is keyed. Specified line numbers from the return are also keyed into Viking. Viking has an edit process for each of the fields. If the edit fails, the keyer is notified.

General Schedule Items:

<i>System Title:</i>	Viking System	<i>Alternate Title:</i>	
<i>Series #:</i>	<i>Series Title:</i>	<i>Disposition Instructions:</i>	
04149	Individual Tax Return File	Retain in Agency five (5) years; destroy	

Electronic System Description

System Title: W-2 Recon System

Variant Title: Recon

SYSMNE: RIIT3

Cabinet: Finance and Administration Cabinet

Department: Department of Revenue

Division: Individual Income

System Type: GUI

Hardware:

Software:

Start Date:

Function Use: This system provides a centralized location of employer account information by tax year. It houses the wage and tax statements (W-2s) for all eligible entities doing business in Kentucky. It is a GUI system which recognizes registered taxpayers subject to withholding tax. It performs withholding tax compliance functions of account reconciliation, identification and pursuit of W-2 delinquencies and provides verification against W-2 data reported by the individual on their return against the W-2 data reported by the employer. The system ensures that each taxpayer pays the appropriate amount of tax on taxable wages and files the required W-2s. It manages the compliance cases, generates compliance letters, and accepts and processes W2 data. It sends W-2 return codes to the withholding tax system. The system has online entry, batch updating and online inquiry. It produces statistical reports for W-2 files submitted by taxpayers and the 3rd party vendor that keys paper W2s. It identifies files errors and generates correspondence to assist taxpayers in correcting the files.

System Contents: Employer name, account number, and demographics. Employer's W-2 information including employee name, social security number, Kentucky wages and Kentucky income tax withheld. Employer's total tax paid and total outstanding tax liabilities by tax year.

Records Series

General

Schedule Items:

Electronic System With Included Records Series

Finance and Administration Cabinet

Department of Revenue

Individual Income

System Description: The Withholding Tax System documents the processed transactions of withholding payment accounts for all eligible entities doing business in Kentucky. It is an online system which identifies registered taxpayers subject to the withholding tax, provides access required to answer taxpayer inquiries, verifies tax payments and refund requests, and performs tax discovery and compliance projects. The system ensures that each taxpayer pays the appropriate amount of tax on taxable wages and files the required return. It manages the demographic and filing frequency database and records return and accounting transactions. It also tracks nonfilers and generates delinquency files, produces billing information, and generates mailing information for returns.. The system has online entry, batch updating and online inquiry. It produces statistical reports for the Cabinet and other agencies.

System Contents: Employer name, account number, demographic information, filing frequency, account status, and transaction data.

General Schedule Items:

<i>System Title:</i>	Withholding Tax System	<i>Alternate Title:</i>	
<i>Series #:</i>	<i>Series Title:</i>	<i>Disposition Instructions:</i>	
04830	Employer Withholding Tax Return File	Retain in Agency seven (7) and destroy after audit	
