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REGULATIONS COMPILER

CABINET FOR ECONOMIC DEVELOPMENT

(New Administrative Regulation)

307 KAR 1:006. Applications and Fee Structure for Kentucky Incentive Programs under the Kentucky Economic Development Finance Authority.

RELATES TO: KRS 154.12-100, 154.20-010, 154.20-020, 154.20-033, 154.20-190, 154.20-234, 154.20-236, 154.20-255, 154.20-256, 154.26-080, 154.30-030, 154.30-040, 154.30-050, 154.30-060, 154.31-020, 154.31-030, 154.32-020, 154.32-030, 154.34-070, 154.60-020

STATUTORY AUTHORITY: KRS 154.12-100(3), 154.20-010(9), 154.20-020(2), 154.20-033(1), 154.20-230(8), 154.20-236(3), 154.20-256(11), 154.26-080(1), 154.30-030(2)(b), 154.31-030(2), 154.32-030(2)(a), 154.34-070(2), 154.60-020(2), 154.60-030

NECESSITY, FUNCTION, AND CONFORMITY: KRS 154.12-100(2), 154.20-010(9), 154.20-020(2), 154.20-033(1), 154.20-236(3), 154.20-256(11), 154.26-080(1), 154.30-030(2)(b), 154.31-030(2), 154.32-030(2)(a), 154.34-070(2), and 154.60-030 authorize the Kentucky Economic Development Finance Authority to establish additional procedures and standards for the application process for the Kentucky Cabinet for Economic Development's various incentive programs. KRS 154.20-033 authorizes the Kentucky Economic Development Finance Authority to impose fees in conjunction with the application process. This administrative regulation incorporates by reference the applications for economic development incentives and establishes their fee structure.

Section 1. Application Process for the Kentucky Economic Development Fund Program. In addition to the requirements set forth in KRS 154.12-100, the applicant shall provide:

(1) All information required by the Application for: Economic Development Fund (EDF);

(2) A $1,000 application fee;

(3) Prior to approval, an administrative fee equal to one (1) percent of the final, authorized incentive amount, up to a maximum of $20,000; and

(4) Any legal expenses that are due for the preparation of the Kentucky Economic Development Fund Agreement and pursuant to the Application required by subsection (1) of this section.

Section 2. Application for the Kentucky Rural Hospital Loan Program. In addition to the requirements of KRS 154.20-190, the applicant shall provide:

(1) All information required by the Application for: Kentucky Rural Hospital Loan Program;

(2) A $1,000 application fee;

(3) If loan is eligible, additional legal fees for loan document preparation; and

(4) If loan is approved, a commitment or closing fee of either one (1) percent of the total loan or $1,000, whichever is greater, which shall be remitted on or before the closing date.

Section 3. Application Process for the Kentucky Enterprise Initiative Act Program. In addition to the requirements set forth in KRS 154.20-202, the applicant shall provide:

(1) All information required by the Application for: Kentucky Enterprise Initiative Act (KEIA); and

(2) A $500 application fee, which the Kentucky Cabinet for Economic Development will waive if a project applies for another tax incentive program in conjunction with the Kentucky Enterprise Initiative Act Program.

Section 4. Application Process for the Kentucky Angel Investment Tax Credit Program. In addition to the requirements set forth in KRS 154.20-234, the applicant shall provide:

(1) For qualified small businesses:

(a) All information required by the Application for the Application for: Kentucky Angel Investment Act Qualified Small Business Certification; and

(b) A $100 application fee;

(2) For qualified investors:

(a) All information required by the Kentucky Angel Investment Act Qualified Investment/Investor Application; and

(b) A $100 application fee; or

(3) For applicants seeking a qualified investment:

(a) All information required by the Kentucky Angel Investment Act Qualified Investment/Investor Application; and

(b) An application fee of:

1. $500 for applications requesting $50,000 or less in angel investor tax credits; or

2. $1,500 for applications requesting angel investor tax credits greater than $50,000.

Application fees for the Kentucky Angel Investment Tax Credit Program referenced in this section are refundable only if tax credits are unavailable.

Section 5. Application Process for the Kentucky Investment Fund Act Tax Credit Program. In addition to the requirements set forth in KRS 154.20-255, the applicant shall provide:

(1) All information required by the Kentucky Investment Fund Act (KIFA) Application;

(2) A $2,000 application fee;

(3) A one (1) time administrative fee equal to one-tenth (1/10) of one (1) percent of the total approved tax credits at the time of execution of the Kentucky Investment Fund Act Agreement and prior to its effective date;

(4) An annual fee of one-tenth (1/10) of one (1) percent of the fund's allocated tax credits for the fiscal year; and

(5) Any fees for legal, administrative, audit and accounting costs of both the Kentucky Economic Development Finance Authority and the Revenue Cabinet.

Section 6. Application Process for the Tax Increment Financing Program.

(1) For applicants where a project does not have a residential use that comprises at least fifty percent (50%) of the total finished square footage of the proposed project, in addition to the requirements set forth in KRS 154.30-030, the applicant shall provide:

(a) All information required by the Application for: Kentucky Tax Increment Financing (TIF) Program;

(b) A $5,000 application fee;

(c) Prior to final approval, an administrative fee equal to one-fourth (1/4) of one (1) percent of the final, authorized incentive amount, up to a maximum of $75,000; and

(d) Any expert consultant, legal fees and administrative costs that are due pursuant to the Application required by subsection (1)(a) of this section.

(2) For applicants where a project has a residential use that comprises at least fifty percent (50%) of the total finished square footage of the proposed project, under KRS 154.30-50(3)(b)4. or KRS 154.30-060(4)(h), in addition to the requirements set forth in KRS 154.30-030, the applicant shall provide:

(a) All information required by the Application for: Kentucky Tax Increment Financing (TIF) Program;

(b) A $30,000 application fee;

(c) Prior to final approval, an administrative fee equal to one-fourth (1/4) of one (1) percent of the final, authorized incentive amount, up to a maximum of $50,000; and

(d) Any legal fees and administrative costs that are due pursuant to the Application required by subsection (2)(a) of this section.

Section 7. Application Process for the Kentucky Business Investment Program. In addition to the requirements set forth in KRS 154.32-030, the applicant shall provide:

(1) All information required by:

(a) The Application for: Kentucky Business Investment (KBI) Program, if the applicant is applying only for the Kentucky Business Investment Program; or

(b) The Application for: Kentucky Business Investment (KBI) Program Kentucky Enterprise Initiative Act (KEIA), if the applicant is applying for the Kentucky Business Investment Program in conjunction with the Kentucky Enterprise Initiative Act Program;

(2) A $1,000 application fee; and

(3) An administrative fee equal to one-half (1/2) of one (1) percent of the incentive amount authorized in the tax incentive agreement up to a maximum of $50,000.

Section 8. Application Process for the Kentucky Reinvestment Act Program. In addition to the requirements set forth in KRS 154.34-070, the applicant shall provide:

(1) All information required by the Application for: Kentucky Reinvestment Act (KRA);

(2) A $1,000 application fee;

(3) Prior to final approval, an administrative fee equal to one-fourth (1/4) of one (1) percent of the final Kentucky Reinvestment Act amount authorized in the Kentucky Reinvestment Act Agreement up to a maximum of $50,000; and

(4) Any legal fees that are due for the preparation of the Kentucky Reinvestment Act Agreement and pursuant to the Application required by subsection (1) of this section.

Section 9. Application for the Kentucky Small Business Tax Credit Program. In addition to the requirements set forth in KRS 154.60-020, the applicant shall provide:

(1) All information required by the Application for: Kentucky Small Business Tax Credit (KSBTC); and

(2) A $250 application fee.

Section 10. Application for the Kentucky Selling Farmer Tax Credit Program. In addition to the requirements of KRS 154.60-040, the applicant shall provide:

(1) If applying to the Kentucky Selling Farmer Tax Credit Program as a Seller under KRS 154.60-040:

(a) All information required by the Application for: Kentucky Selling Farmer Tax Credit Program Seller Certification; and

(b) A $500 application fee;

(2) If applying to the Kentucky Selling Farmer Tax Credit Program as a Beginning Farmer, all information required by the Application for: Kentucky Selling Farmer Tax Credit Program Buyer Farmer Certification; or

(3) If applying to the Kentucky Selling Farmer Tax Credit Program as an Actively Engaged Farmer, all information required by the Application for: Kentucky Selling Farmer Tax Credit Program Buyer Farmer Certification.

Section 11. Incorporation by Reference.

(1) The following material is incorporated by reference:

(a) "Application for: Economic Development Fund (EDF)," 11/2025;

(b) "Application for: Kentucky Angel Investment Act Qualified Small Business Certification," 11/2025;

(c) "Application for: Kentucky Business Investment (KBI) Program," 11/2025;

(d) "Application for: Kentucky Business Investment (KBI) Program Kentucky Enterprise Initiative Act (KEIA)," 11/2025;

(e) "Application for: Kentucky Enterprise Initiative Act (KEIA)," 09/2025;

(f) "Application for: Kentucky Reinvestment Act (KRA)," 7/2025;

(g) "Application for: Kentucky Rural Hospital Loan Program," 11/2025;

(h) "Application for: Kentucky Small Business Tax Credit (KSBTC)," 11/2025;

(i) "Application for: Kentucky Selling Farmer Tax Credit Program Buyer Farmer Certification," 11/2025;

(j) "Application for: Kentucky Selling Farmer Tax Credit Program Seller Certification," 11/2025;

(k) "Application for: Kentucky Tax Increment Financing (TIF) Program," 11/2025;

(l) "Kentucky Angel Investment Act Qualified Investment/Investor Application," 11/2025; and

(m) "Kentucky Investment Fund Act (KIFA)" Application, 11/2025.

(2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the Cabinet for Economic Development, Mayo-Underwood Building, 500 Mero Street, Frankfort,

Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m., or online at https://newkentuckyhome.ky.gov/applications.

307 KAR 1:005
REVIEWED AND APPROVED:

11-14-25
DATE

Jeff Noel, Secretary
CABINET FOR ECONOMIC DEVELOPMENT

PUBLIC HEARING AND PUBLIC COMMENT PERIOD:

A public hearing on this administrative regulation shall be held on January 21, 2026, at 10:00 a.m. Eastern Time at the Cabinet for Economic Development, Mayo Underwood Building, 500 Mero Street, Frankfort, Kentucky 40601. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through January 31, 2026. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person.

CONTACT PERSON: Matthew Wingate, General Counsel, Cabinet for Economic Development, Mayo Underwood Building, 500 Mero Street, Frankfort, Kentucky 40601, phone: (502) 782-1948, fax (502) 564-3256, email: matthew.wingate@ky.gov.

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Administrative Regulation: 307 KAR 1:006. Applications and Fee Structure for Kentucky Incentive Programs under the Kentucky Economic Development Finance Authority.
Agency Contact: Matthew Wingate
Phone Number: (502) 782-1948
Email: matthew.wingate@ky.gov

Subject Headings: Economic Development, Loans and Credit, Fees

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation establishes the application, criteria, and fee structure to receive and evaluate applications for the Kentucky Cabinet for Economic Development's economic incentive programs pursuant to KRS 154.12-100, 154.20-010, 154.20-020, 154.20-033, 154.20-190, 154.20-234, 154.20-236, 154.20-255, 154.20-256, 154.26-080, 154.30-030, 154.30-040, 154.30-050, 154.30-060, 154.31-020, 154.31-030, 154.32-020, 154.32-030, 154.34-070, and 154.60-020.

(b) The necessity of this administrative regulation: The regulation provides the current means of applying for economic development incentives under the statutes identified in (1)(a), above.

(c) How this administrative regulation conforms to the content of the authorizing statutes: The cited statues direct the Kentucky Economic Development Finance Authority (the Authority) to promulgate regulations for this purpose.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: The regulation is statutorily required and provides an efficient means to apply for economic development incentives.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: N/A

(b) The necessity of the amendment to this administrative regulation: N/A

(c) How the amendment conforms to the content of the authorizing statutes: N/A

(d) How the amendment will assist in the effective administration of the statutes: N/A

(3) Does this administrative regulation or amendment implement legislation from the previous five years? 2023 Ky. Laws Ch. 75 (HB 303); 2021 Ky. Laws Ch. 185 (SB 162); 2021 Ky. Laws Ch. 185 (SB 162); 2022 Ky. Laws Ch. 236 (SB 180); 2025 Ky. Laws Ch. 98 (HB 775); 2023 Ky. Laws Ch. 75 (HB 303); 2021 Ky. Laws Ch. 185 (SB 162); 2023 Ky. Laws Ch. 75 (HB 303).

(4) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: the regulation will assist persons and entities applying for incentives under the Cabinet for Economic Development's statutory programs.

(5) Provide an analysis of how the entities identified in question (4) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions that each of the regulated entities identified in question (4) will have to take to comply with this administrative regulation or amendment: the regulation sets forth the fees and incorporates the current applications to apply for incentives under statutory economic development programs. Applicants must follow the steps of the application process, provide the required documentation, and pay the fees required under the statutes in order to qualify for submission to the Authority for approval.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (4): regulated entities will experience no new costs in complying with this administrative regulation.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (4): Applicants may become qualified for incentives under the programs for which incentives have been approved.

(6) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially: No expenses or an unknown amount will be incurred.

(b) On a continuing basis: No expenses or an unknown amount will be incurred.

(7) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation or this amendment: The administrative fees will provide some financial support, but general administration will be covered by existing operating funds from the general fund budget.

(8) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: Neither an increase in fees nor funding will be necessary to implement this administrative regulation.

(9) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees: this regulation establishes the fees used in the application for and administration of the statutory economic development programs under the Kentucky Economic Development Finance Authority.

(10) TIERING: Is tiering applied? Tiering is not used as the application and all application fees apply to the same classes of individuals and entities.

FISCAL IMPACT STATEMENT

Administrative Regulation: 307 KAR 1:006. Applications and Fee Structure for Kentucky Incentive Programs under the Kentucky Economic Development Finance Authority.
Agency Contact: Matthew Wingate
Phone Number: (502) 782-1948
Email: matthew.wingate@ky.gov

(1) Identify each state statute, federal statute, or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 154.12-100(3), 154.20-010(9), 154.20-020(2), 154.20-033(1), 154.20-230(8), 154.20-236(3), 154.20-256(11), 154.26-080(1), 154.30-030(2)(b), 154.31-030(2), 154.32-030(2)(a), 154.34-070(2), 154.60-020(2), 154.60-030.

(2) Identify the promulgating agency and any other affected state units, parts, or divisions: Cabinet for Economic Development, other agencies have not been identified.

(a) Estimate the following for the first year:

Expenditures: Expenditures will depend on the number of applications and projects submitted, which is currently unknown. As the incentive programs are already in place, no additional expenditures are anticipated.

Revenues: Revenues will depend on the number of applications and projects submitted, which is currently unknown. As the incentive programs are already in place, no additional revenues are anticipated.

Cost Savings: Cost will depend on the number of applications and projects submitted, which is currently unknown. As the incentive programs are already in place, no additional costs are anticipated.

(b) How will expenditures, revenues, or cost savings differ in subsequent years? The Cabinet does not expect a change to revenues or cost savings in subsequent years.

(3) Identify affected local entities (for example: cities, counties, fire departments, school districts): N/A

(a) Estimate the following for the first year:

Expenditures: The Cabinet does not anticipate expenditures as a result of this administrative regulation.

Revenues: The Cabinet does not anticipate revenues as a result of this administrative regulation.

Cost Savings: The Cabinet does not anticipate cost savings as a result of this administrative regulation.

(b) How will expenditures, revenues, or cost savings differ in subsequent years? The Cabinet does not expect a change to revenues or cost savings in subsequent years.

(4) Identify additional regulated entities not listed in questions (2) or (3): Additional regulated entities include applicants to the Kentucky Cabinet for Economic Development's economic incentive programs.

(a) Estimate the following for the first year:

Expenditures: The Cabinet does not anticipate expenditures as a result of this administrative regulation.

Revenues: The Cabinet does not anticipate revenues as a result of this administrative regulation.

Cost Savings: The Cabinet does not anticipate cost savings as a result of this administrative regulation.

(b) How will expenditures, revenues, or cost savings differ in subsequent years?

Expenditures: The Cabinet does not anticipate expenditures as a result of this administrative regulation.

Revenues: The Cabinet does not anticipate revenues as a result of this administrative regulation.

Cost Savings: The Cabinet does not anticipate cost savings as a result of this administrative regulation.

(5) Provide a narrative to explain the:

(a) Fiscal impact of this administrative regulation: The administrative regulation implements fees and incorporates the current applications to apply for incentives under statutory economic development programs. The administrative regulation does not create a fiscal impact.

(b) Methodology and resources used to determine the fiscal impact: N/A.

(6) Explain:

(a) Whether this administrative regulation will have an overall negative or adverse major economic impact to the entities identified in questions (2) - (4). ($500,000 or more, in aggregate): The administrative regulation will not have a major economic impact – as defined by KRS 13A.010 – on regulated entities.

(b) The methodology and resources used to reach this conclusion: This administrative regulation does not create a fiscal impact.

SUMMARY OF MATERIAL INCORPORATED BY REFERENCE

The following are the application forms that applicants are required to file in order to apply for economic development incentives administered through the Cabinet for Economic Development. Applicants may provide credit or debit card number and expiration date to allow payments by MasterCard, Visa, or American Express for the application fee. Applicants may also submit payment with cash or personal check payable to the Kentucky State Treasurer. Applications may be found at ced.ky.gov.

(1) The following material is incorporated by reference:

(a) "Application for: Economic Development Fund (EDF)," 11/2025;

(b) "Application for: Kentucky Angel Investment Act Qualified Small Business Certification," 11/2025;

(c) "Application for: Kentucky Business Investment (KBI) Program," 11/2025;

(d) "Application for: Kentucky Business Investment (KBI) Program Kentucky Enterprise Initiative Act (KEIA)," 11/2025;

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