

LMCO 110 PROPOSED CHANGES

October 20th, 2022

Louisville Metro Revenue Commission

LMCO 110.01 Definitions

Racetrack Extensions

- Definition of a Racetrack Extension is added as a result of 2022 HB 607 granting local government authority to impose tax on racetrack extensions.

Tax Return Preparer

- Definition of a tax return preparer is added to identify persons or entities that will be subject to the proposed electronic filing mandate in LMCO 110.18.

LMCO 110.03 (14) Exempted Activities

- Provides clarification of an exemption for Historical Racetracks
- Exemption for Historical Racetrack exists under state law, but not specifically defined in the Ordinance. Previously covered under a catch-all provision drafted as LMCO 110.03(15).

LMCO 110.10 (B)(2) Claims for Refund or Credit

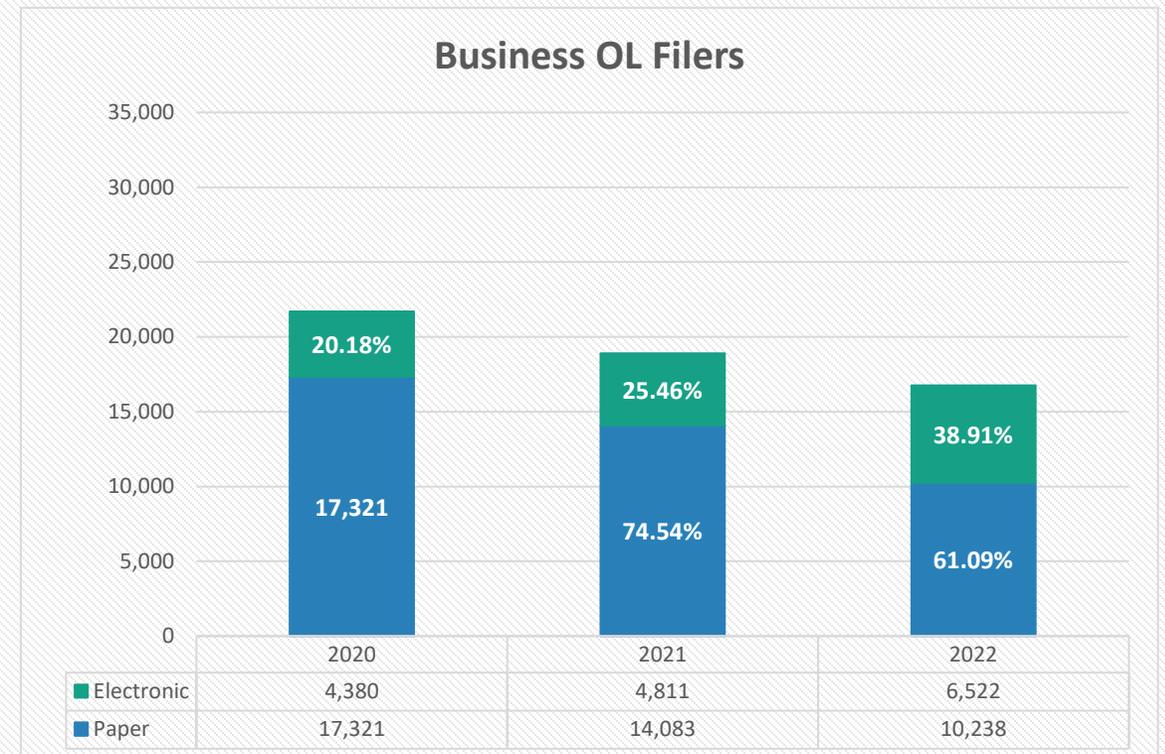
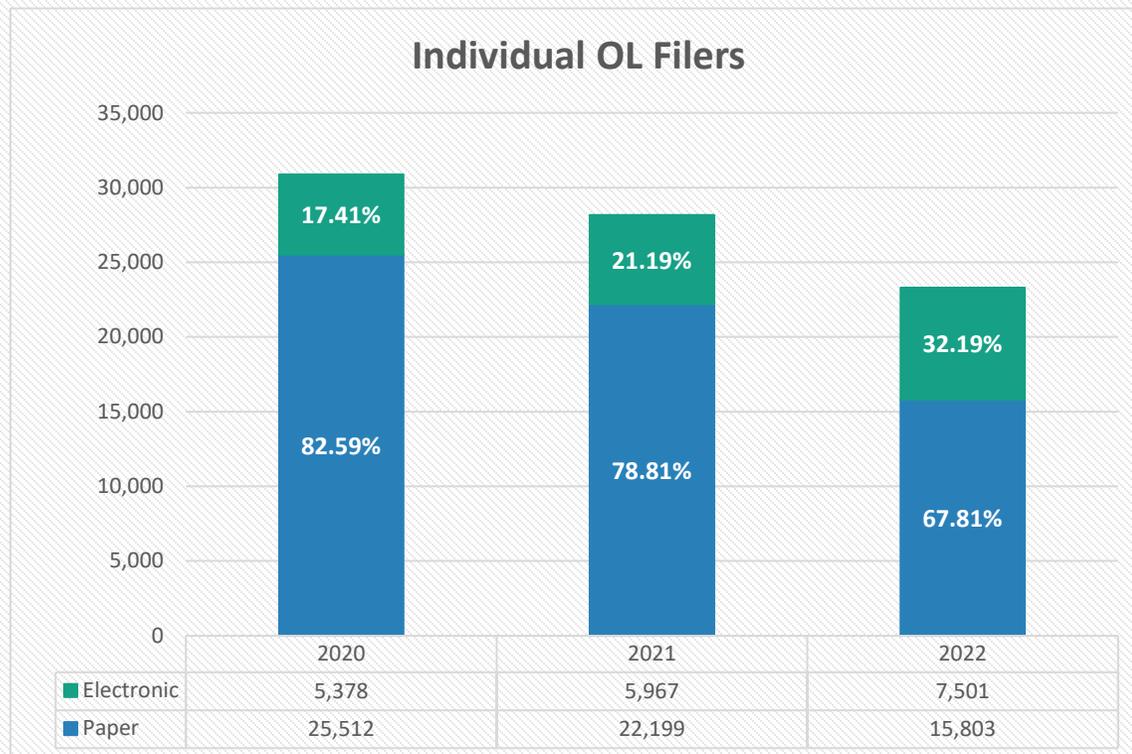
- Replaced with KRS 67.778(2)(b) language.
- This aligns with current practice and gives the taxpayer the benefit of an additional six months after conclusion of federal tax audit to request a refund consistent with KRS 67.

LMCO 110.18 Electronic Filing

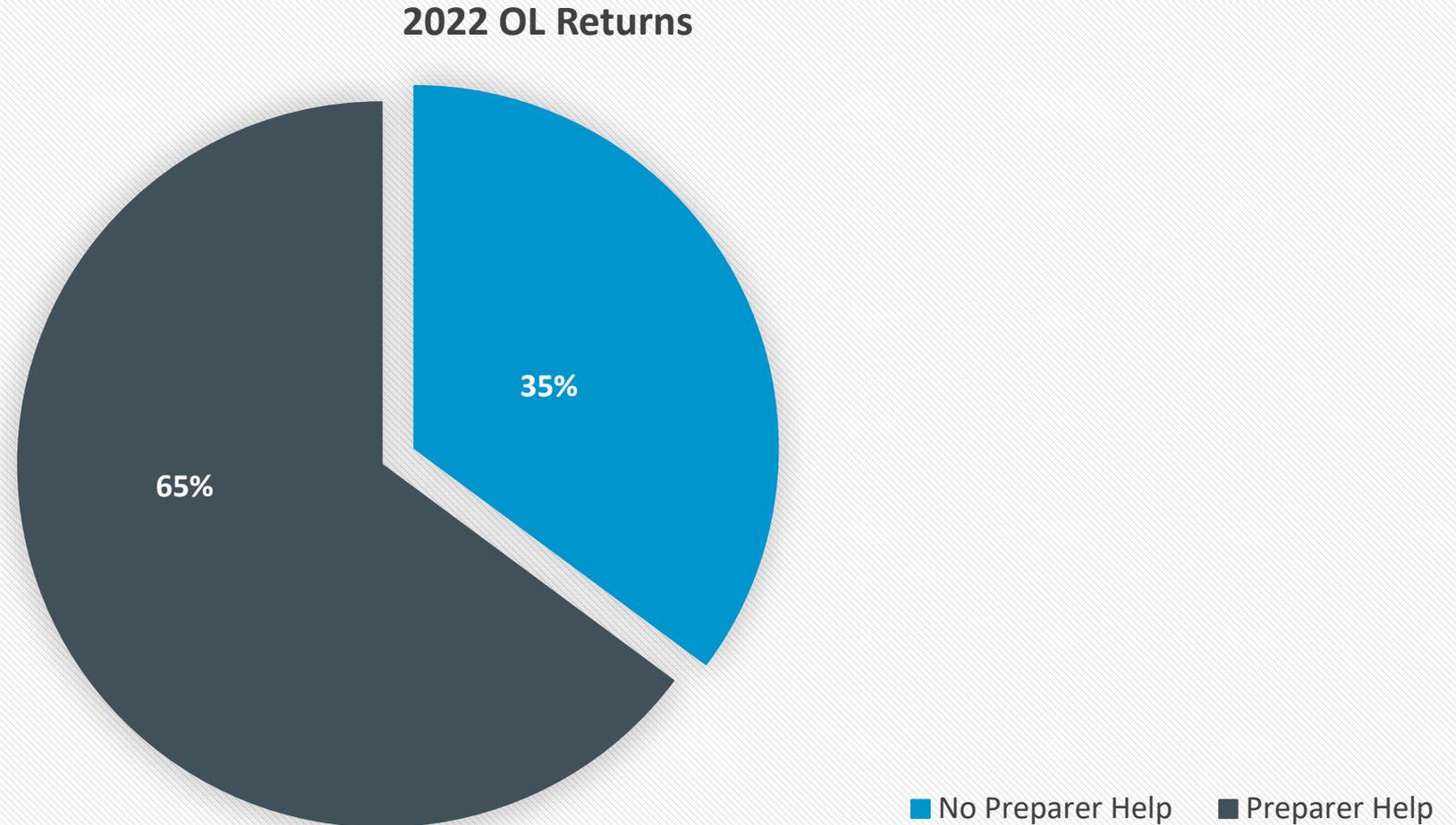
- Updates the existing electronic filing mandate language:
 - Includes 10 or more returns, reports, or statements
 - Removes specific federal form series currently identified in the ordinance
 - Specific filing and reporting instructions will be provided in a manner prescribed by the Revenue Commission.
- Effective January 1, 2024, the requirement to electronically file tax returns applies to tax return preparers
- Aligns with Federal and State electronic filing requirements
- Supporting Data

Individual vs Business Filers

- LMRC e-filing trend
 - **In 2022:** Over 26,000 of 40,000 OL returns were filed via paper.

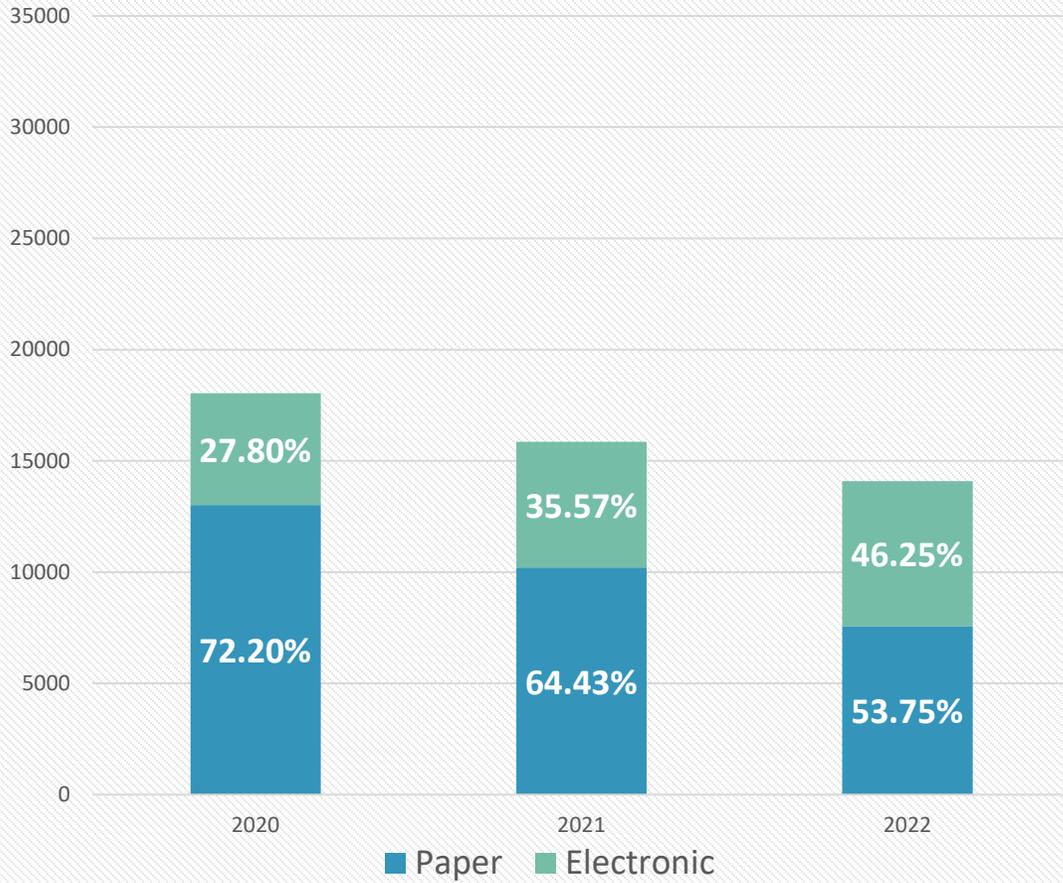


Percentage of filers using preparers

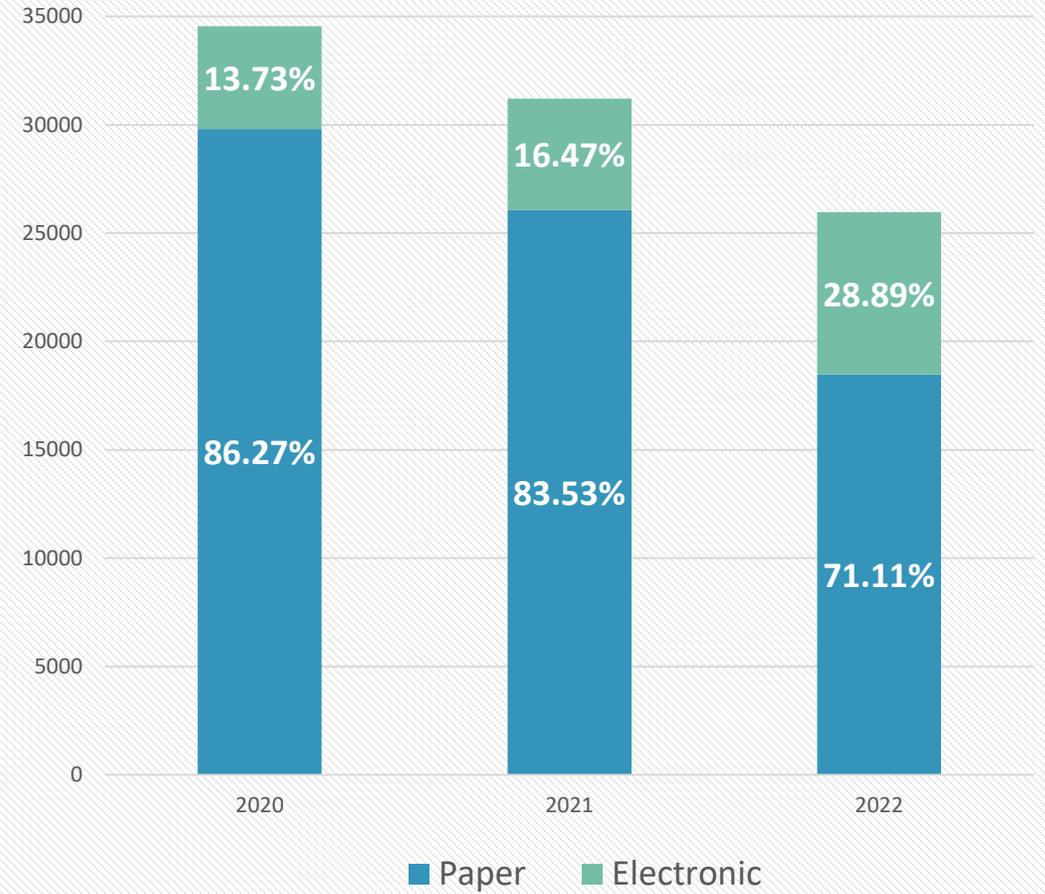


Source by preparer help

No Preparer Help

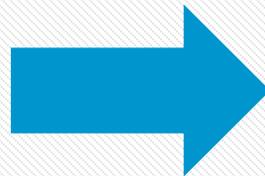
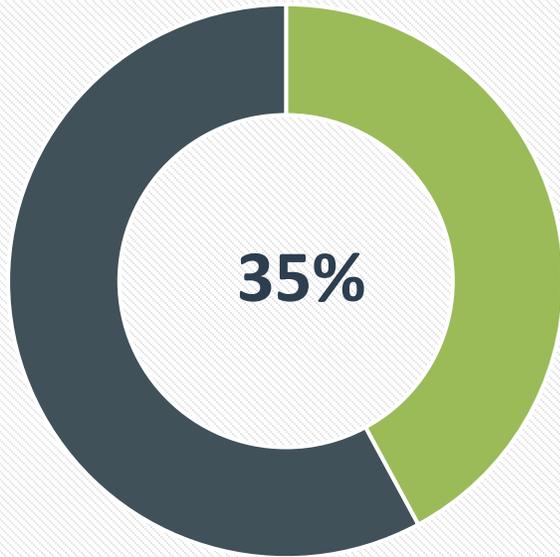


With Preparer Help

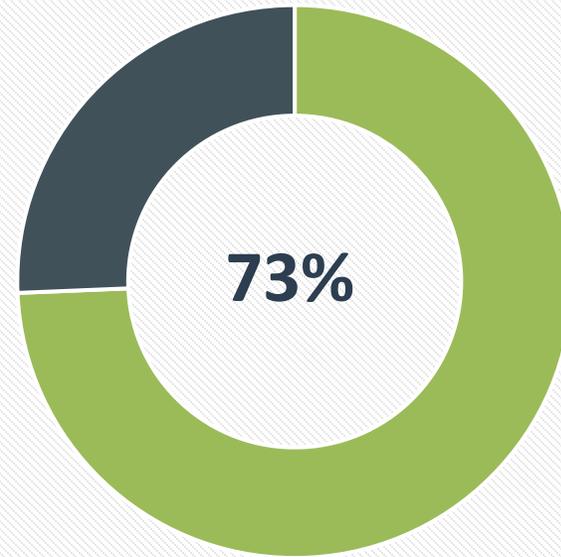


E-filing mandate Impact on electronic filing

Current OL e-file %



Potential E-file Mandate Impact



Electronic Filing Methods



Modernized e-File (MeF)

PRODUCT	COMPANY	AVAILABLE FORMS
CCH Prosystems fx	Wolters Kluwer	OL-S
Lacerte	Intuit	OL-3, OL-EXT
ONESOURCE	Thomson Reuters	OL-3, OL-EXT
Onvio	Thomson Reuters	OL-3, OL-EXT, OL-DEP
ProConnect	Intuit	OL-3, OL-EXT
UltraTax CS	Thomson Reuters	OL-3, OL-EXT, OL-DEP



Bulk Filing

A file following LMRC standards is generated by business entity and submitted via LMRC's online tax portal eMints.



eMINTS

- eMINTS Keying with Template Import
- eMINTS single return submission